

JOHN H. SNYDER PLLC
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Counsel to Russell Schreiber and Andrew Weber

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE LEHMAN BROTHERS HOLDINGS, INC., et al. : Ch. 11 Case No. 08-13555 (JMP)
: DECLARATION OF JOHN H. SNYDER
:

JOHN H. SNYDER declares, under penalty of perjury, as follows:

1. I am the founder of John H. Snyder PLLC and counsel to Claimants Andrew Weber and Russell Schreiber, in the above-captioned proceeding.
2. I submit this Declaration in support of Claimants' response to the 392th Omnibus Objection filed by Debtors, and in support of Claimants' cross-motion to set a hearing date for the allowance of certain administrative expenses, and to put before the Court certain pertinent documents.
3. Attached hereto are the following exhibits:

Exhibit 1: copy of Schreiber's proof of claim no. 13321;

Exhibit 2: copies of copies of Weber's proofs of claim nos. 66938 and 66940;

Exhibit 3: Ltr. From Heather Rychener, Lehman Brothers' Vice President of International Human Resources to Andrew Weber, dated June 14, 2007;

Exhibit 4: Foreign Assignment Handbook For EAP Expatriates;
Exhibit 5: Informal request from the Debtors for information related to the Debtors' 254th Objection;

Exhibit 6: Compensation Agreement Between LBHI and Andrew Weber, dated December 17, 2008;

Exhibit 7: Letter from Deborah Millstein, Lehman Brothers Senior Vice President to Andrew Weber, dated July 6, 2007;

Exhibit 8: Memos from Wendy Uvino, a Lehman Brothers Human Resources employee to Andrew Weber and Russell Schreiber, dated January 23, 2009.

I declare under penalty of perjury, and subject to the provisions of 28 U.S.C. § 1746 that the foregoing is true and correct.

Dated: New York, New York
August 9, 2012

/s/
John H. Snyder, Esq.

EXHIBIT 1
(Response and Cross Motion of Schreiber and Weber)

August 9, 2012

<p>In Re: Lehman Brothers Holdings Inc., et al. Debtors.</p> <p>Name of Debtor Against Which Claim is Held <i>Lehman Brothers Holdings Inc.</i></p>		<p>Chapter 11 Case No. 08-13555 (JMP) (Jointly Administered)</p> <p>Case No. of Debtor <i>08-13555</i></p> <p>NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503. Additionally, this form should not be used to make a claim for Lehman Programs Securities (See definition on reverse side.)</p>	<p>UNIQUE IDENTIFICATION NUMBER: 1000142422</p> <p>Filed: USBC - Southern District of New York Lehman Brothers Holdings Inc., et al. 08-13555 (JMP) 0000013321</p> <p></p>
<p>Name and address of Creditor: (and name and address where notices should be sent if different from Creditor)</p> <p>LBH (CREDITOR,DBF,CREDNUM)CREDNUM # 1000142422***** RUSSELL SCHREIBER 5 CADOGAN COURT GARDENS 1 D'OELEY STREET LONDON SW1X 9AQ UNITED KINGDOM</p> <p>Telephone number: <i>+44 (0) 7733 067372</i> Email Address: <i>rustyamy@earthlink.net</i></p>		<p><input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.</p> <p>Court Claim Number: _____ (If known)</p> <p>Filed on: _____</p>	<p><input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.</p> <p><input type="checkbox"/> Check this box if you are the debtor or trustee in this case.</p>
<p>Name and address where payment should be sent (if different from above)</p> <p><i>Russell Schreiber, 5710 Fieldstar Blvd, Riverdale, NY 10471</i> Email Address: <i>rustyamy1@yahoo.com</i></p> <p>Telephone number: <i>+1 917 834 7736</i> Email Address: _____</p>			
<p>1. Amount of Claim as of Date Case Filed: \$ <u>240,098</u></p> <p>If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4.</p> <p>If all or part of your claim is entitled to priority, complete Item 5.</p> <p>If all or part of your claim qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9), complete Item 6.</p> <p><input type="checkbox"/> Check this box if all or part of your claim is based on a Derivative Contract.* <input type="checkbox"/> Check this box if all or part of your claim is based on a Guarantee.*</p> <p>*IF YOUR CLAIM IS BASED ON AMOUNTS OWED PURSUANT TO EITHER A DERIVATIVE CONTRACT OR A GUARANTEE OF A DEBTOR, YOU MUST ALSO LOG ON TO http://www.lehman-claims.com AND FOLLOW THE DIRECTIONS TO COMPLETE THE APPLICABLE QUESTIONNAIRE AND UPLOAD SUPPORTING DOCUMENTATION OR YOUR CLAIM WILL BE DISALLOWED.</p> <p><input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges. Attach itemized statement of interest or charges to this form or on http://www.lehman-claims.com if claim is a based on a Derivative Contract or Guarantee.</p>		<p>5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.</p> <p>Specify the priority of the claim:</p> <p><input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____).</p>	
<p>2. Basis for Claim: <i>Priority claim of employee relating to taxes owed.</i> (See instruction #2 on reverse side.)</p> <p>3. Last four digits of any number by which creditor identifies debtor: <u>0394</u></p> <p>3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)</p> <p>4. Secured Claim (See instruction #4 on reverse side.)</p> <p>Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.</p> <p>Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other</p> <p>Describe: _____</p> <p>Value of Property: \$ _____ Annual Interest Rate % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____</p> <p>Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____</p>		<p>Amount entitled to priority: \$ _____</p>	
<p>6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9): \$ _____ (See instruction #6 on reverse side.)</p> <p>7. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.</p> <p>8. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. Attach redacted copies of documents providing evidence of perfection of a security interest. (See definition of "redacted" on reverse side.) If the documents are voluminous, attach a summary.</p> <p>DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.</p> <p>If the documents are not available, please explain:</p>		<p>FOR COURT USE ONLY</p> <p>FILED / RECEIVED</p> <p>SEP 16 2009</p> <p>EPIQ BANKRUPTCY SOLUTIONS, LLC</p>	
<p>Date: <i>9/14/09</i> Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.</p> <p><i>[Signature]</i></p> <p><i>Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.</i></p>			

Russell Schreiber
Flat 5
1, D'Oyley Street
London SW1X 9AQ
United Kingdom
UK Cell Phone: +44 (0)7733 067372
US Cell Phone: +1 (917) 834-7936
E-mail: rustyamy@earthlink.net

September 12, 2009.

Re: Russell Schreiber Proof of Claim

To Whom It May Concern,

Please find enclosed my proof of claim and supporting details related to my overseas employment. Post bankruptcy, my employment was transferred from Lehman Brothers Inc. to Lehman Brothers Holdings Inc. with what I understand was a full assumption of all obligations and agreements. Lehman Brothers Holdings Inc. has refused to pay the 2008 US Federal Tax gross-up and/or tax penalties under the Tax Equalization described in the Lehman Brother Foreign Assignment Handbook and my Amended Employment letter from 7 June 2008. Therefore, I assert that I am owed by LBHI \$240,098. I contend that that this amount is a priority claim given that (i) it is related to taxes that were due and payable to the US Federal Government, New York State Government and New York City Government and (ii) the assumption of my employment contract by Lehman Brothers Holdings Inc. post-petition. Additional detail and support on the amount and calculations of that amount can be provided upon request. My contact details are listed above. My preferred contact would be through e-mail.

Please also find enclosed a self-addressed envelope for provision on proof of receipt of claim. However, I would prefer to have notice of receipt sent to me via e-mail at rustyamy@earthlink.net.

Thank you.

Sincerely.



Russell Schreiber

City Sprint

www.citysprint.co.uk

Telephone: +44(0)20 78801121

Airway Bill



ACCT. NO.	NO.OF PIECES	WEIGHT	VALUE FOR CUSTOMS PURPOSE	HAWB NO.
► C12904	► 2	► 1.0kg	► 0.00 GBP	► 2490712
SHIPPER	YOUR REFERENCE	RECEIVER		
► LEHMAN BROS	► 20151	► UNITED STATES BANKRUPTCY COURT		
25 BANK STREET	RECEIVED	LEHMAN BROS HOLDINGS CLAIMS, EPIQ BANKRUPTCY SOLUTIONS LLC FDR STATIONS		
TOWN	SEP 16 2009	TOWN		
► LONDON		► NEW YORK		
COUNTRY	POSTCODE	COUNTRY	POSTCODE	
► UNITED KINGDOM	► E14 5LE	► UNITED STATES	► 10150	
SHIPPER'S TELEPHONE	RECEIVER'S CONTACT NO.			RECEIVER'S VAT NO.
►	► 02071032992			► GB 6
CITYSPRINT IS UNABLE TO DELIVER TO PO BOX ADDRESSES WITHOUT A CONTACT NO				
FULL DESCRIPTION OF GOODS		NOTE-ALL NON DOCUMENTS SHIPMENTS, TO NON EEC COUNTIES, REQUIRE CUSTOMS INVOICE		
► DOCUMENTS				
DELIVERY SCHEDULE	YOU MUST CONTACT CUSTOMER SERVICES TO CONFIRM			
► by 19:00 on 16/09/09	SPECIAL INSTRUCTIONS			
SHIPPER'S SIGNATURE	Thank you for using CitySprint		RECEIVER'S SIGNATURE	DATE
►		BY GIVING US YOUR SHIPMENT YOU AGREE TO OUR TERMS AND CONDITIONS OF CARRIAGE		
FOR CITYSPRINT	DATE	15/09/2009	PRINT NAME	TIME 4:56PM

City Sprint

www.citysprint.co.uk

Telephone: +44(0)20 78801121

Airway Bill



ACCT. NO.	NO.OF PIECES	WEIGHT	VALUE FOR CUSTOMS PURPOSE	HAWB NO.
► C12904	► 2	► 1.0kg	► 0.00 GBP	► 2490712
SHIPPER	YOUR REFERENCE	RECEIVER		
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25 BANK STREET		LEHMAN BROS HOLDINGS CLAIMS, EPIQ BANKRUPTCY SOLUTIONS LLC FDR STATIONS		
TOWN		TOWN		
► LONDON		► NEW YORK		
COUNTRY	POSTCODE	COUNTRY	POSTCODE	
► UNITED KINGDOM	► E14 5LE	► UNITED STATES	► 10150	
SHIPPER'S TELEPHONE	RECEIVER'S CONTACT NO.			RECEIVER'S VAT NO.
►	► 02071032992			► GB 6
CITYSPRINT IS UNABLE TO DELIVER TO PO BOX ADDRESSES WITHOUT A CONTACT NO				
FULL DESCRIPTION OF GOODS		NOTE-ALL NON DOCUMENTS SHIPMENTS, TO NON EEC COUNTIES, REQUIRE CUSTOMS INVOICE		
► DOCUMENTS				
DELIVERY SCHEDULE	YOU MUST CONTACT CUSTOMER SERVICES TO CONFIRM			
► by 19:00 on 16/09/09	SPECIAL INSTRUCTIONS			
SHIPPER'S SIGNATURE	Thank you for using CitySprint		RECEIVER'S SIGNATURE	DATE
►		BY GIVING US YOUR SHIPMENT YOU AGREE TO OUR TERMS AND CONDITIONS OF CARRIAGE		
FOR CITYSPRINT	DATE	15/09/2009	PRINT NAME	TIME null

EXHIBIT 2
(Response and Cross Motion of Schreiber and Weber)

August 9, 2012

United States Bankruptcy Court/Southern District of New York Lehman Brothers Holdings Claims Processing Center c/o Epiq Bankruptcy Solutions, LLC FDR Station, P.O. Box 5076 New York, NY 10150-5076 In Re: Merit, LLC, Chapter 11 Case No. 09-17331 (JMP) In Re: LB Somerset LLC, Chapter 11 Case No. 0917503 (JMP) In Re: LB Preferred Somerset LLC, Chapter 11 Case No. 09-17505 (JMP) Name of Debtor Against Which Claim is Held Case No. of Debtor Lehman Brothers Holdings Inc 08-13555		PROOF OF CLAIM Filed: USBC - Southern District of New York Lehman Brothers Holdings Inc., Et Al. 08-13555 (JMP) 0000066938 	
<small>NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</small>			
Name and address of Creditor: (and name and address where notices should be sent if different from Creditor) <i>Andrew Weber</i> <i>8 Hollywood Road</i> <i>SN10 9HY</i> <i>UK.</i> <i>+447879432119</i> <i>weber_aa@yahoo.com</i>		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: <u>14788</u> <i>(If known)</i> Filed on: <u>Sep 17, 2009</u>	
Telephone number: <u>08-13555</u> Email Address: <u>weber_aa@yahoo.com</u> Name and address where payment should be sent (if different from above)		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.	
Telephone number: <u>08-13555</u> Email Address: <u>weber_aa@yahoo.com</u>		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim: <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7). <input checked="" type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(<u> </u>).	
1. Amount of Claim as of Date Case Filed: \$ <u>71,434.67</u> If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete Item 5. If all or part of your claim qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9), complete Item 6. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges.		6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9): \$ <u>0</u> (See instruction #6 on reverse side.)	
2. Basis for Claim: <u>Priority claim - Taxes owed related to employment, services rendered</u> (See instruction #2 on reverse side.)		7. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 8. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. Attach redacted copies of documents providing evidence of perfection of a security interest. (See definition of "redacted" on reverse side.) If the documents are voluminous, attach a summary. DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:	
Date: <u>14 July 2010</u> Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. <i>Andrew Weber</i>		FOR COURT USE ONLY <div style="border: 1px solid black; padding: 5px; text-align: center;"> FILED / RECEIVED <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> JUL 14 2010 </div> EPIQ BANKRUPTCY SOLUTIONS, LLC </div>	
<small>Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.</small>			

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Name of Debtor, and Case Number:

Fill in the name of the Debtor in the bankruptcy case, and the bankruptcy case number.
09-17331 Merit, LLC 09-17503 LB Somerset LLC
09-17505 LB Preferred Somerset LLC

If your Claim is against more than one of the Debtors, complete a separate form for each Debtor.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure ("FRBP") 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4, 5 and 6. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim:

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state the annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing.

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the Claims Agent at the following address:

Lehman Brothers Holdings Claims Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, PO Box 5076
New York, NY 10150-5076

Secured Claim Under 11 U.S.C. §506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a).

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9)

State the value of any goods received by the debtor within 20 days before the date of commencement in which the goods have been sold to the debtor in the ordinary course of the debtor's business.

7. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

8. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim, or you may access the Claims Agent's system (<http://www.lehman-docket.com>) to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Andrew Weber
8 Hollywood Road
London SW10 9HY
United Kingdom
+44 7879 432 119
weber_aa@yahoo.com

14 July 2010

United States Bankruptcy Court / Southern District of New York
Lehman Brothers Holdings Claims Processing Center
Care of: EPIQ Bankruptcy Solutions, LLC
757 Third Avenue
3rd Floor
New York, New York 10017
United States

RE: Amendment to Proof of Claim 14788 / Change of Address

Dear Madam / Sir:

Please note that effective immediately, my new address is:

8 Hollywood Road
London SW10 9HY
United Kingdom
+44 7879 432 119
weber_aa@yahoo.com

There are no other amendments at this time to my claim. Thank you.

Sincerely,

Andrew Weber

United States Bankruptcy Court/Southern District of New York
 Lehman Brothers Holdings Claims Processing Center
 c/o Epiq Bankruptcy Solutions, LLC
 FDR Station, P.O. Box 5076
 New York, NY 10150-5076

PROOF OF CLAIM

Filed: USBC - Southern District of New York
 Lehman Brothers Holdings Inc., Et Al.
 08-13555 (JMP) 0000014788

In Re: Lehman Brothers Holdings Inc., et al. Debtors.	Chapter 11 Case No. 08-13555 (JMP) (Jointly Administered)
Name of Debtor Against Which Claim is Held Lehman Brothers Holdings Inc.	Case No. of Debtor 08-13555

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503. Additionally, this form should not be used to make a claim for Lehman Programs Securities (See definition on reverse side.)

Name and address of Creditor: (and name and address where notices should be sent if different from Creditor)

Andrew Weber
 43 Draycott Place
 Flat 1
 London SW3 2SH
 United Kingdom

Telephone number: +44 7879 432 119 Email Address: weber_aa@yahoo.com

Name and address where payment should be sent (if different from above)

Telephone number: Email Address:

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: _____
 (If known)

Filed on: _____

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim:

- Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).
- Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(7).
- Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).
- Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7).
- Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).
- Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____).

Amount entitled to priority:

\$ 71,434.67 +

1. Amount of Claim as of Date Case Filed: \$ 71,434.67

If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete Item 5.

If all or part of your claim qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9), complete Item 6.

- Check this box if all or part of your claim is based on a Derivative Contract.
- Check this box if all or part of your claim is based on a Guarantee.

*IF YOUR CLAIM IS BASED ON AMOUNTS OWED PURSUANT TO EITHER A DERIVATIVE CONTRACT OR A GUARANTEE OF A DEBTOR, YOU MUST ALSO LOG ON TO <http://www.lehman-claims.com> AND FOLLOW THE DIRECTIONS TO COMPLETE THE APPLICABLE QUESTIONNAIRE AND UPLOAD SUPPORTING DOCUMENTATION OR YOUR CLAIM WILL BE DISALLOWED.

Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges. Attach itemized statement of interest or charges to this form or on <http://www.lehman-claims.com> if claim is based on a Derivative Contract or Guarantee.

2. Basis for Claim: Priority Claim – Taxes owed related to employment, services rendered (See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: 7213

3a. Debtor may have scheduled account as:
 (See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: Real Estate Motor Vehicle Other

Describe: _____

Value of Property: \$ _____ Annual Interest Rate %

Amount of arrearage and other charges as of time case filed included in secured claim, if any:

\$ _____ Basis for perfection: _____

Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9): \$ _____ (See instruction #6 on reverse side.)

7. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

8. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. Attach redacted copies of documents providing evidence of perfection of a security interest. (See definition of "redacted" on reverse side.) If the documents are voluminous, attach a summary.

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

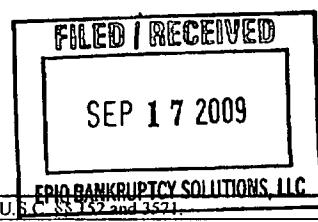
If the documents are not available, please explain:

Date: 09/15/2009

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Andrew Weber

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 151 and 3511.



INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Name of Debtor, and Case Number:

YOU MUST INDICATE THE SPECIFIC DEBTOR AGAINST WHICH YOUR CLAIM IS ASSERTED, INCLUDING THE THE NAME OF THE DEBTOR AND THE RELATED CASE NUMBER (DEBTORS AND CASE NUMBERS LISTED BELOW), IN THE SPACE ALLOTTED AT THE TOP OF THE CLAIM FORM.

08-13555	Lehman Brothers Holdings Inc.	08-13905	CES Aviation LLC
08-13600	LB 745 LLC	08-13906	CES Aviation V LLC
08-13885	Lehman Brothers Commodity Services Inc.	08-13907	CES Aviation IX LLC
08-13888	Lehman Brothers Special Financing Inc.	08-13908	East Dover Limited
08-13893	Lehman Brothers OTC Derivatives Inc.	09-10108	Luxembourg Residential Properties Loan Finance S.r.l.
08-13899	Lehman Brothers Derivative Products Inc.	09-10137	BNC Mortgage LLC
08-13900	Lehman Commercial Paper Inc.	09-10558	Structured Asset Securities Corporation
08-13901	Lehman Brothers Commercial Corporation	09-10560	LB Rose Ranch LLC
08-13902	Lehman Brothers Financial Products Inc.	09-12516	LB 2080 Kalakaua Owners LLC
08-13904	Lehman Scottish Finance L.P.	08-13664	PAMI Stalder Arms LLC

If your Claim is against multiple Debtors, complete a separate form for each Debtor.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4, 5 and 6. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

DEFINITIONS

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

Derivative Contract

A contract that is any of (i) a "swap agreement" as such term is defined in section 101(53B) of the Bankruptcy Code or (ii) a "forward contract" as such term is defined in section 101(25) of the Bankruptcy Code. A cash-market purchase or sale of a security or loan (i.e. any purchase or sale of a security or loan for settlement within the standard settlement cycle for the relevant market), exchange-traded future or option, securities loan transaction, repurchase agreement in respect of securities or loans, and any guarantee or reimbursement obligations which would otherwise be included in the definition of such terms in the Bankruptcy Code shall not be considered a Derivative Contract for the purposes of this definition nor shall any notes, bonds, or other securities issued by the Debtors or their affiliates (including, but not limited to, Lehman Brothers Holdings Inc., Lehman Brothers Treasury Co. B.V., Lehman Brothers Bankhaus AG, Lehman Brothers Holdings plc, Lehman Brothers Securities N.V., and Lehman Brothers (Luxembourg) Equity Finance S.A.).

Guarantee

A promise, representation or agreement to answer for the payment of some debt or the performance of some duty in case of the failure of another person or entity who is liable in the first instance.

Lehman Programs Securities

Lehman Programs Securities means those securities included on the Lehman Programs Securities list available on <http://www.lehman-docket.com> as of July 27, 2009.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim, or you may access the Claims Agent's system (<http://www.lehman-docket.com>) to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Andrew Weber
43 Draycott Place
Flat 1
London SW3 2SH
United Kingdom

15 September 2009

RE: Andrew Weber Proof of Claim related to expatriate tax equalisation

TO WHOM IT MAY CONCERN:

This proof of claim is related my expatriate contract and obligations there under for tax equalisation payments, such that my aggregate taxes paid were equalised to those payable in the US.

My understanding is that no tax equalisation payments were made at year end 2008 to equalise taxes paid between the US and UK, leaving me in the position of having paid an amount of \$42,860.80 in taxes to the UK over and above those that would have been paid to the US for federal income taxes. In addition to this amount, I am claiming an additional \$28,573.87 as a gross up using the UK marginal income tax rate of 40%, so that the tax equalisation payment is made on a net of taxes basis, as is my understanding of how the contract works. This leads to a total claim amount under this claim of \$71,434.67.

As background, I have maintained continuous employment at Lehman Brothers through the bankruptcy and my Lehman Brothers Inc. employment and expatriate contracts were transferred to Lehman Brothers Holdings Inc. at or about the time of the bankruptcy.

As such, my understanding is the obligations of the firm to provide tax equalisation have been assumed, until the date of the attached letter from Human Resources of 23 January 2008.

Tax numbers herein are directly from PAYE taxes paid on my behalf in an amount of £163,838.63 (the equivalent of \$315,635.11). The equivalent US Federal tax number using the 2008 marginal rates is from my calculation \$272,774.31, leading to the differential. As stated above, given the complexity of the expatriate situation, it is impossible for me to determine exact amounts owed.

This letter is without prejudice to other claims submitted by me.

Sincerely,



Andrew Weber

LEHMAN BROTHERS

MEMORANDUM

TO: Andrew Weber
FROM: Wendy Uvino, Human Resources
CC: Cathy Radley, Alvarez & Marsal
Helen Lawson, PWC
Sarah Lewis, Lehman Brothers
DATE: 23 January 2009
SUBJECT: Update on Expat Issues

This memorandum sets out the key changes to your Expat package terms effective 1 January 2009 and provides guidance regarding your package for both the pre-administration and administration periods. Your terms and conditions of employment will be modified with effect from 1 January 2009 to reflect the below matters.

Monthly Payroll

Effective 1 January 2009, your US payroll will be processed on a bi-weekly basis – i.e. every second Friday. Your monthly base salary, Choice\$ allowance (if applicable), and applicable rent deduction will be pro-rated accordingly. As previously advised, your payroll will be processed gross – subject only to applicable US social security withholding. You will separately be required to provide London Human Resources with a check for the appropriate tax withholding amounts. Your check will be requested by e-mail on a monthly basis in USD and should be provided to London Human Resources no later than the last working day for each month's payroll.

In the unlikely event that you do not provide your monthly check on a timely basis, your payroll will be suspended until your liability has been settled.

Due to the change in payroll dates and amounts, please be sure to amend any automatic payments or transfers that you may have set up with your bank account(s).

2008 and 2009 Tax Equalization

In the current circumstances, it is no longer practical to operate a Tax Equalization Policy.

For the period 15 September 2008 to 31 December 2008, tax equalization will not apply. You will be personally liable for any and all taxes on your Lehman Brothers compensation.

For avoidance of doubt, the terms described in the e-mail of 30 December 2008 (from Julie Patterson of PwC) continue to apply with respect to the commitment that you will remit to LBL the equivalent of the October/November US Federal tax withholdings (even if you do not obtain an actual tax refund on your 2008 US Federal Income Tax Return due to your personal income/circumstances) by 1 August 2009.

Effective 1 January 2009, you will continue to be personally liable for any and all global taxes on your Lehman Brothers compensation.

Hypothetical taxes will no longer apply and you will be advised each month of the appropriate UK tax withholding requirement as described above. For reference, the maximum UK tax rate is 40%.

Your employment will continue to be with Lehman Brothers Holdings Inc or its affiliates in the US. All income will continue to be reported on form W-2.

Pre-Administration Issues (period prior to September 2008)

You may have outstanding issues pertaining to the period prior to the US entities entering into Chapter 11 administration and Lehman Brothers Limited entering into Administration in September 2008. In the event that you feel that you are owed money from Lehman Brothers, you should make such claim in the normal manner.

2009 Choice\$

Your 2009 Choice\$ allowance will continue to be provided to you at the current rate of [REDACTED] per bi-weekly pay cycle.

However, to enable you to meet the UK tax on the Choice\$, the monthly amount has been grossed up for UK taxes so you will effectively net the same amount as you currently receive.

There will be no update to the 2009 Choice\$ for any reason (exchange rate, change in family size etc).

Rent Deduction (as applicable)

If applicable, your monthly rent deduction will continue to be taken, split between the bi-weekly payrolls. The 2009 deduction has been updated to reflect the current expatriate f/x rate of \$1.5016/£1.00. In the event that your actual rent or the expatriate f/x rate changes, your rent deduction will be adjusted accordingly.

School Fee, Property Management and Storage Reimbursement (as applicable)

If applicable, you will continue to be eligible for the reimbursement of qualifying school fees in accordance with the normal policy.

Going forward, reimbursement will be processed via payroll. You will need to pay the school fees direct to the relevant establishment and provide London Human Resources with appropriate proof of payment. The reimbursement will then be grossed up and processed through the next available payroll cycle.

Similarly, you will need to arrange payment to First Preston for property management, or the company providing your long-term storage, if applicable, and provide London Human Resources with appropriate proof of payment in order to obtain reimbursement.

Tax Return Preparation

We are no longer able to engage PwC or any other tax service provider directly in connection with US or UK tax preparation. To assist you in meeting the costs for tax preparation for the 2008 US Income Tax Returns (Federal and State) and your UK Income Tax Return for 2008/2009, you will receive a special taxable payment of \$6,500 through the first payroll cycle in March 2009.

If you have any questions concerning the above, please do not hesitate to contact Hilary McNamara on 646-333-8299 or Steve Snelling on 2-2185.

LEHMAN BROTHERS

DEBORAH MILLSTEIN
SENIOR VICE PRESIDENT

July 6, 2007

Andrew Weber
By Hand

Dear Andrew:

We are pleased to confirm the details of your transfer from Lehman Brothers Inc. to join Lehman Brothers Limited at the MD level in the Fixed Income Division, reporting initially to Georges Assi. You will be hired by Lehman Brothers Inc. in New York and seconded to Lehman Brothers Limited, in London. While on assignment in London, you will be employed by Lehman Brothers Inc. and seconded to Lehman Brothers Limited in London. Your corporate title of MD will be submitted for official approval by the Board of Directors as part of the next quarterly approval process. We expect your employment to begin on or about September 01, 2007.

For the performance year 2007 (your start date through November 30, 2007), your compensation will be as follows:

- Monthly base salary of \$[REDACTED], which is the equivalent of \$[REDACTED] per year.
- A minimum bonus in the amount of \$[REDACTED], less applicable deductions, payable at the time the Firm pays its annual 2007 bonus distribution (on or about January 31, 2008).

The foregoing salary will be paid for all periods of your active employment with the Firm in performance year 2007. The bonus amount set forth above will be paid at the time and in the amount stated except that it will not be payable if you have failed to obtain and/or maintain in good standing all applicable licenses and registrations or if, before the date of scheduled payment, you have resigned or have been terminated from the Firm because of misconduct, breach of Firm policies or rules, dishonesty, violation of laws or regulations, or substantial and continuing failure to perform employment duties or obligations satisfactorily (collectively or individually, "Cause"). The bonus amount set forth above may be reduced in the event of an approved leave of absence during the applicable performance year.

At the Firm's discretion, a portion of your 2007 and future years' total compensation (combined base salary, bonus, and other compensation) will be payable in conditional equity awards (restricted stock units, options, and/or other equity-based awards) pursuant to the Firm's Equity Award Program as then generally in effect for employees with your position and corporate title.

The terms and conditions of the Equity Award Program, including terms and conditions relating to vesting, exercisability, and forfeiture, will be established by the Firm from time to time in its discretion.

Andrew Weber
Page 2

In addition to the above compensation, provided we have received your executed offer letter and you satisfactorily meet all pre-employment requirements; the Firm will make you a special payment of \$[REDACTED], less applicable tax withholding and other deductions, to be paid on or about September 21, 2007. The payment described in this paragraph will not be considered part of your total compensation for purposes of the Firm's Equity Award Program.

All compensation payments described in this letter will be paid in accordance with our customary payroll practices, and will be subject to applicable payroll and income tax withholding and other applicable deductions. Your compensation for all periods after performance year 2007 will be determined at the Firm's discretion.

You will also be eligible to participate in the Firm's standard employee benefits program, which will be discussed with you shortly after you commence employment.

Please understand that this letter is not a contract of continuing employment. Your employment by the Firm is for no fixed term, and either you or the Firm may terminate the employment relationship at any time for any reason, subject to any applicable notice requirement. Currently, the Firm's notice policy requires officers of the Firm to provide 30 days' advance written notice of resignation, and provides for 30 days' advance notice by the Firm to its officers in the event of an involuntary termination under certain circumstances. In making this offer of employment, the Firm has relied on your representations (a) that you are not subject to any duty or obligation that would prevent you from becoming employed with us on your start date or that would in any way prevent you from performing the duties of your position, and (b) that you are not subject to any non-competition, non-solicitation or other restrictive covenant that might affect your employment by the Firm as contemplated by this letter.

In addition, your assignment is contingent on your qualifying for and obtaining a UK work permit. Your initial assignment will be covered under Lehman Brothers' current expatriate policy. The complete policy and all benefits related to it will be reviewed with you by our International Human Resources Department shortly.

Please understand that the terms and conditions of your employment by our Firm are governed by standard Firm policies. Among other things, this also means that this offer of employment is contingent on your satisfactorily meeting all pre-employment requirements. This also means that you must have and maintain in good standing all applicable licenses and registrations. If you are not registered at this time, we expect you to be registered at the earliest practical time, but in no event later than six (6) months following your date of employment. Among other things, this means that you must have and maintain in good standing all applicable licenses and registrations. If you are not registered at this time, we expect you to be registered at the earliest practical time, but in no event later than six (6) months following your date of employment.

Andrew, we are enthusiastic and pleased that you are going to be a part of our organization. Please confirm your agreement to the above by signing a copy of this letter in the space provided below, and returning it to me. An additional copy of this letter is enclosed for your files. Please contact me at 212-526-1280 if you have any additional questions or concerns.

SIGNATURES APPEAR ON THE FOLLOWING PAGE

Andrew Weber
Page 3

Sincerely,



Deborah Millstein
Senior Vice President
Fixed Income Human Resources

Agreed to and accepted:


Andrew Weber

6 July 2007
Date

LEHMAN BROTHERS

June 14, 2007

Andrew Weber
C/o Lehman Brothers
745, Seventh Avenue
New York, NY10019

Dear Andrew:

This letter and its enclosures outline the terms of your international assignment in London. Details of the terms of your assignment may be found in the "Package Details" insert and in the Foreign Assignment Handbook, both of which are enclosed for your reference. All terms relating to your assignment are strictly confidential and should be discussed only with your management, Lehman Brothers Human Resources and immediate family members.

Secondment

Lehman Brothers Inc., your US employer, is assigning you to Lehman Brothers Global Services Ltd. for international service. During this period, you will be employed by Lehman Brothers Global Services Ltd. (LBGSL) and you will be seconded to Lehman Brothers Limited. Your employment while on this assignment will be subject to New York State law (without reference to principles of conflicts of laws).

Assignment Term

Your assignment will commence on a date to be advised – but not earlier than the date on which you receive authorization from the immigration authorities to work in the UK. It is presently anticipated that your initial assignment will be for a three-year period. The length of the initial assignment is, however, subject to change at any time.

Should you remain on assignment through the end of three years, your expatriate status will be reviewed at that time. An Expatriate Transition Program (ETP) is presently in place for secondees remaining in the UK longer than three years. This program provides for a period of up to two years of expatriate-style benefits and allowances at a gradually reducing level.

Compensation

Your base salary and any bonuses will be paid to you in US dollars and administered via a New York payroll. Salary payments will be made monthly. You will also remain a participant in the Firm's Stock Award Program while on assignment. Under this program, a portion of your total compensation will be delivered in the form of Contingent Stock Awards (CSAs). CSAs are awarded to the Firm's employees working outside the US and are designed to parallel many key aspects of Restricted Stock Units for US employees. It is important that you clearly understand the terms of these awards as outlined in the CSA letter and brochure that you will receive for any award made under this program.

Expatriate Benefits/Allowances

You will receive expatriate benefits/allowances as outlined in the Foreign Assignment Handbook and specified in the enclosed "Package Details" insert.

Mr. Andrew Weber
June 14, 2007
Page 2

Relocation Benefits

The Firm has designed a relocation policy to encompass the major cost items associated with an international move. Details of your relocation benefits can be found in the Foreign Assignment Handbook.

Employee Benefits

During your initial assignment, you will generally remain eligible to participate in any of the US benefit plans in which you are currently participating. Please note that for tax or other reasons certain restrictions may apply. These restrictions are explained in the Foreign Assignment Handbook. Any changes to the enrollment periods or to the US benefit plans will be announced and made available to you while you are in London.

Offsets Against Compensation

The Firm reserves the right to withhold any amounts payable to you as compensation or otherwise and apply such withheld amounts to satisfy any indebtedness to the Firm to the maximum extent permitted by law. If any debt exists at the time of your termination of employment from the Firm, the Firm will have the right, to the maximum extent permitted by law, to recover such amount by offset against any amount otherwise awarded, credited or owing to you, including but not limited to amounts awarded to you under the Firm's Stock Award Program. By your signature below, you hereby authorize and consent to the aforementioned deductions.

The Firm reserves the right to make changes to the terms set forth in this letter and its enclosures, to its Foreign Assignment Handbook, and to its general international assignment policies and practices at any time. Neither this letter nor its enclosures is a contract of employment and does not give you any right to continued employment. Either you or the Firm may terminate your employment at any time.

If you have any questions regarding any of the material outlined, please contact me on (212) 320-7058, heather.rychener@lehman.com.

Sincerely,

Heather Rychener

Heather Rychener
Vice President
International Human Resources

I acknowledge receipt of the enclosed Foreign Assignment Handbook and understand the terms and conditions relating to my initial international assignment to London, which are explained in this letter and the Handbook. I am aware that all of these terms and conditions are subject to change.

Andrew Weber
Andrew Weber

6 July 2007
Date

FOREIGN ASSIGNMENT PACKAGE

EXECUTIVE ASSIGNMENT PACKAGE (EAP)

Our figures are based on the following assignment details as of June 14, 2007:

Andrew Weber	Spouse	Two
Name	Salary	Family Size
London, United Kingdom	August 1, 2007	Expected Date of Assignment
Host Location		

FOREIGN ASSIGNMENT

Prevailing FX Rate[†]: \$1.9966/£

CHOICES Allowance*
(cash allowance paid to you)

\$ [REDACTED] per month

Dilapidations Accrual
(Firm's limit on dilapidation charges it will pay on your behalf)
(per assignment period or pro-rata portion based on length of tenancy)

\$ [REDACTED] per assignment

*No tax withheld. To be reviewed on September 1, 2007.

TAXATION

Estimated Hypothetical Tax Withholding
(deduction from you)

\$ [REDACTED] per month

[†]As discussed in the Handbook, the above figures will change during your assignment based on:

- significant exchange rates fluctuations (reviewed quarterly). Next update: September 1, 2007
- changes in your family size, marital status and home ownership status (reviewed annually)
- changes in your salary and compensation level (reviewed annually)
- changes in relative prices (reviewed annually)
- updates or amendments to the Firm's foreign assignment policies
- changes in tax law
- significant periods of time that you or your accompanying family members spend away from your host location.

The figures may increase or decrease over the course of your assignment.

LEHMAN BROTHERS

FOREIGN ASSIGNMENT HANDBOOK
For EAP Expatriates

United Kingdom



May 2000

Dear Colleague,

Congratulations on your upcoming international assignment to London.

We are pleased that you will be joining our Foreign Assignment Program. Lehman Brothers believes that these assignments are an integral part of your career at the Firm. We encourage you to be excited about the many professional and personal rewards that can arise from living and working abroad.

In order to make your international relocation as easy and efficient as possible, we have compiled this Handbook for your use. It is designed as an easy reference guide for you during all stages of your assignment: preparation, execution and repatriation. We believe it covers what we have found to be the main issues for assignees and their families.

To ensure accurate information, questions or items not specifically addressed by the Handbook should be directed to the International Human Resources department. As always, the Firm reserves the right to make changes to its Foreign Assignment Policy at any time. Assignees will be duly notified and this Handbook will be updated from time to time.

Please review the Handbook carefully to familiarize yourself with its content. You should feel free to raise any questions you may have with a representative of International HR.

We appreciate that many employees do not have prior experience moving internationally. In International Human Resources, we have an excellent team adept at the intricate process of relocating, living and working internationally. We look forward to working with you to facilitate a smooth and successful relocation for you and your family.

Sincerely,

Mark Gross
Senior Vice President
Manager, International Human Resources

Introducing International Human Resources

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Introducing International Human Resources

The International Human Resources group (International HR) will facilitate your move and be available to assist you with compensation, benefits and general human resource issues while you are on assignment. The group is headquartered in New York, but has on-site representatives (within the Human Resources department) in each Lehman Brothers region. A list of individuals, their locations and contact details is provided as an insert to this Handbook.

Prior to your move, an orientation meeting will be scheduled to allow you (and your spouse or domestic partner) the opportunity to discuss all aspects of your move and your international assignment. The meeting is important, as it gives you a chance to clarify move details, establish banking arrangements and discuss the tax implications of a move overseas. When you arrive in London, a similar orientation session will be held with a local HR representative and a representative of Lehman Brothers' designated accounting firm.

Required Approval

The details outlined in this Handbook will apply to all assignees chosen to move to an overseas location. At a minimum, all assignments must be approved in writing by:

- Divisional CAO; and
- Host Region Head/CAO.

This Handbook does not apply to:

- employees who are permanently relocated from one country to another country;
- employees who are currently located in the United States on a developmental assignment or training exercise and are returning to their Home Countries;
- employees who are on short-term (six months or less) business trips; or
- foreign nationals hired as local employees.

This Handbook supersedes the "Lehman Brothers U.S. Expatriate Policy Manual" (1/90) as of January 1998.

When Transferee and Spouse or Domestic Partner are Both Expatriates
The Choice \$ allowance and relocation benefits provided by the Firm are based on the assumption that only the employee/assignee is on an international assignment and receiving these types of benefits. In the event that both the employee and spouse or domestic partner are on international assignment with different companies, and the spouse or domestic partner is also receiving international allowances/reimbursements, combined benefits will be coordinated with the other company. If both employees are assignees with Lehman Brothers, then the allowances/reimbursements will be based on those applicable to a married couple, not 2 single assignees or 2 married assignees.

Glossary of Terms

It is important that you clearly understand the meaning of terms and phrases commonly used throughout this Handbook.

Accompanying family member	An immediate family member, currently residing in your household, who is financially dependent on you and will be residing with you in London (including domestic partners, as defined below).
Assignee	An employee of the Firm who is transferred to an international work location at the Firm's request.
CHOICE\$	A cash payment designed to defray the material difference in living expenses you will face in London. Designed to be spent according to your personal preference, it considers the incremental costs of purchasing goods and services, renting residential accommodations, paying for basic utility services (e.g., electricity, gas and water) and visiting family and friends in the US annually.
Dilapidations	Charge for property damages levied in London by lessors of residential properties, on their lessees.
Dilapidations accrual	A maximum Firm contribution towards dilapidation charges levied on your leased property according to the Firm's definition of reasonable wear and tear.
Domestic Partner	Any person who has a currently registered domestic partnership with a governmental body pursuant to state or local law authorizing such registration. In the absence of a formal registration, you can register your domestic partnership by filing an affidavit with the Lehman Brothers Benefits Service Center. For a copy of the affidavit, please call the Benefits Service Center at 4-2363 (201-524-2363).
Foreign assignment term	The Firm-denominated duration of your overseas work assignment. The typical Foreign Assignment term initially anticipated by the Firm is three years in London. The Firm will provide you with a Foreign Assignment Package for the period that the initial assignment actually lasts, but not longer than three years in London.
Home country	You are considered a foreign assignee based from this location, and your package is designed accordingly. In almost all instances, assignees using this Handbook will have the United States as their home country. Your Home Country is the location of the office you worked in immediately prior to your overseas assignment and/or plan to return to after your assignment, unless you are advised otherwise by International HR.
Host country/location/destination	Where you will be working and residing for the duration of your foreign assignment (London, UK).
Hypothetical tax	Notional tax rate charged by the Firm to assignees on their Total Compensation (TC). For US-based assignees, it is designed to approximate the individual's US, state and city tax liability on this income had he/she been working in New York. In return, the Firm pays the individual's actual tax liabilities relating to TC as well as both foreign and US tax liabilities relating to assignment benefits.

Glossary of Terms

Monthly Carrying Costs

Vacancy Assistance

(a) Mortgage interest; (b) property taxes, common charges or co-op maintenance fees; (c) utilities.

Shortfall Reimbursement

(a) Mortgage interest; (b) property taxes, common charges or co-op maintenance fees.

Per diem

A daily cash allowance for expenses, made in lieu of reimbursement of actual expenses.

Primary Residence

Your main home (according to the tax code) that you have resided in during the last year, excluding vacation/investment properties.

Replacement value

The cost of replacing a damaged good with one of "like kind and quality" in the location where the good is lost or damaged.

Tax equalization

A system of withholding and payments for the Firm's foreign assignees designed to ensure that the individual receives neither significant economic gain nor loss due to differentials in income tax and social tax rates between home and host countries. Assignees continue to be subject to home country tax rates on their Total Compensation and are provided with relocation and foreign assignee benefits net of tax.

Total compensation

Base salary, bonus, and commissions (as applicable) paid by the Firm. May sometimes include other cash payments that are typical and customary for local employees in the home location.

Visas and Immigration

1. Official permission to work in your host country is essential.

Who Needs a Visa / Work Permit?

A majority of countries worldwide require individuals who are not citizens to obtain special work permits and/or visas to be eligible to work and reside within the country. This is a legal requirement and non-compliance can have severe consequences both for the individuals and the Firm. Of course, all individuals and family members intending to transfer will need a current passport valid for at least six months after the date of transfer.

While the Firm is willing to offer relocation assistance to qualified domestic partners, many countries will not provide dependent visas to these individuals, and your partner may need to obtain their own visa. Please consult with International HR immediately to address this potential issue.

2. Begin working with International HR Immediately.

Timing

It is the responsibility of the assignee to work with the home and host country offices to ensure that all necessary passports, visas, work permits, etc., are obtained prior to departure. The procedure to obtain the necessary documents can take up to three months – the timing depends on the local immigration authorities and is beyond the Firm's control.

Procedure

For assistance in applying for the required official documents, please contact International HR as soon as you accept an international assignment. International HR will provide you with a comprehensive list of information required from you – tailored for your intended host country, family situation and specific citizenship requirements. You will be asked to complete several application forms and supply various documents (for example, copies of college degrees/diplomas and your marriage certificate and child's birth certificate as applicable).

Please forward all information to International Human Resources for submission to the appropriate immigration authorities.

Cost

The cost of obtaining the required visas/work permits for you and any accompanying family members will be paid for or reimbursed by the Firm.

Relocation

1. You should involve International HR in all facets of your move to guarantee reimbursement under the policy.

Who Will Move You?

International HR will facilitate moving you, your family members and your personal belongings to London. The group works with several carefully selected vendors to coordinate all aspects of your move—including furniture shipment, temporary accommodations, home finding assistance, school placement and cross-cultural training.

We ask that you refrain from making relocation arrangements independent of your relocation counselor. The Firm has service contracts with several preferred providers which allow it to manage costs and monitor the quality of the services received by employees. Alternative arrangements can jeopardize the Firm's relationship with its preferred providers. In addition, alternative arrangements are not ordinarily eligible for reimbursement under the Firm's policy.

2. Properly document expenses and submit original receipts in a timely manner to ensure reimbursement.

Reimbursement Procedures

The tax ramifications of relocation expense reimbursement necessitate careful documentation on your part. International HR will provide you with expense claim forms which need to be completed and returned with *original receipts* to the group for processing. You should always keep a copy of documents submitted.

The Firm will not reimburse:

- any claims without accompanying receipts;
- claims submitted more than six months after your move.

3. Any tax incurred on relocation items covered by policy is the Firm's responsibility.

Any taxes incurred on approved relocation expenses, reimbursements or payments will be borne by the Firm, unless otherwise specified.

Relocation

1. Cross-Cultural Program

Cross Cultural Training

The Firm recognizes that cross-cultural awareness is important for employees and their families to live and work successfully in a foreign environment. Therefore, the Firm will organize and sponsor a one-day cross-cultural training program for you and your accompanying family members. The program is conducted off-site by a recognized consulting firm and attendance can be coordinated via International HR.

2. Loss on sale of car is provided.

Auto Sale / Auto Lease Break

The Firm will protect you against the loss incurred on the sale of your personal automobile(s) or your car lease break expense according to the following schedule:

Family Size 1: 1 car, up to a maximum loss of \$5,000

Family Size 2+: 2 cars, up to a maximum loss of \$10,000

For sale, loss is determined as the lesser of (1) the difference between the current retail value and actual sales price of the automobile; or (2) the difference between the current retail and wholesale values of the automobile. Values are established by reference to N.A.D.A.'s "Official Used Car Guide" or equivalent. To obtain reimbursement, you must submit to International HR a complete description of the automobile and accessories, proof of ownership and proof of sale including proof of sale price.

For lease break, there are often several options available; you should consult with International Human Resources to determine which option is the most cost effective.

Note: Should you elect to lease or purchase an automobile while on assignment, loss on sale/lease break is not provided upon repatriation or consecutive relocation.

This benefit does not apply to specialty or hobby automobiles.

3. Preview trip provided for employee and spouse or domestic partner.

Preview Trip

To assist you in settling in to your new location, the Firm will provide you (and your spouse or domestic partner) with a preview trip of up to seven days, including travel time. During your stay you will be provided with home search assistance to aid you in finding permanent accommodations in London. You will be accompanied to view homes that suit your personal preferences and your budget. You may also be provided with advice on school placements and other matters of local orientation where necessary.

For your trip you will be provided with reimbursement for transportation (airfare and taxis to and from airports) and hotel accommodation in accordance with the Firm's travel policy. All other expenses will be offset by a daily per diem available to you and your spouse or domestic partner. Your daily allowance will be \$110 per person. The allowance will be paid upon receipt of a copy of your hotel bill - no T&E claim forms or other forms of paperwork are required.

As the Firm does not provide for children to accompany you on your preview trip, an allowance of \$500 for the first minor child and \$250 for each additional minor child, up to a maximum of \$1000, will be provided to offset the cost of childcare while you and your spouse or domestic partner are visiting your host location, or to offset your child's travel expenses if you would prefer.

Relocation

1. The Firm will reimburse up to two months' rent for lease cancellation.

Renters: Lease Cancellation

To minimize the cost of lease cancellation for your primary residence, the Firm relies on you to negotiate with your landlord. In the event costs are incurred, the Firm will reimburse up to a maximum of two months' rent for items such as attorney's fees, cancellation penalties and forfeited security deposit. Please forward to International HR a receipt for payment from either your landlord or managing agent, as well as a copy of your lease agreement.

2. Current homeowners are entitled to property management services.

Homeowners: Property Management

To assist you in renting your primary residence, the Firm will arrange for property management with an experienced management company for the duration of your foreign assignment term. Property management assistance generally consists of: coordination of property inspections, determination of market rental value, coordination of rental with local real estate agent to find suitable tenants, negotiation of lease terms, collection of rent and bill payments (mortgage, taxes, etc.) and oversight of general maintenance and repairs.

Note that the Firm will not reimburse any expenses associated with the sale of a home which has been entered in the property management program.

3. Shortfall and vacancy assistance are provided as part of property management.

As part of the property management service, the Firm will also cover vacancy and/or shortfall fees as described below:

— Vacancy Assistance

If the property management agent cannot rent your residence upon your departure or, for a period during your foreign assignment term, the Firm will reimburse you the monthly carrying costs (see glossary) for up to three months per year while the property is vacant, subject to a maximum of \$10,000 over the assignment period. Note that any gain on rental (calculated similarly to shortfall) will be applied against the vacancy assistance benefit.

— Shortfall Reimbursement

If your monthly rental income from your primary residence is less than your monthly carrying costs (see glossary), the Firm will reimburse the monthly shortfall for the duration of your foreign assignment term. Shortfall reimbursement is contingent upon your residence being rented at its fair market value as determined by the Firm's property management agent.

Accommodation can be made for owners of cooperative apartments who are restricted in terms of the length of approved rental period.

Relocation

4. The purchase of a home in the host location is strongly discouraged.

Home Sale/Purchase

The Firm does not provide assistance for homeowners wishing to sell their primary residences, nor does it reimburse loss on home sale under any circumstances. However, if you wish to sell your property you may access the three month vacancy benefit for residences vacant for up to three months immediately following your assignment start date and/or be reimbursed for closing costs on the sale of your primary residence – *provided that your home has not been entered into the Firm's property management program.* For reimbursement purposes, closing costs include brokerage fees, mortgage prepayment penalty and forwarding fees, legal fees, transfer taxes, and title and recording fees; expenses that will not be reimbursed include, but are not limited to, buyer's closing costs, mortgage interest, maintenance, real estate or other taxes, insurance, escrow items, or association dues. The total of all reimbursements is subject to a maximum of \$10,000. Upon your repatriation, no further assistance with respect to home purchase is provided.

The purchase of a residence in London is strongly discouraged and will result in the loss of any Firm housing subsidy. Further, no assistance will be provided to assignees who purchase a residence while on assignment. Any loss resulting from the sale of a residence will be borne by the employee.

Relocation

1. The Firm provides a sea shipment of goods.

Shipment of Personal Belongings and Household Goods

The Firm will provide you with the services of a company specializing in international moves to pack your goods and coordinate your shipment. You will need to provide an inventory of goods prior to your move date, which should be scheduled as close as possible to the date you will be leaving the US. Remember when planning your move that goods cannot be delivered through customs at your destination until you have the appropriate visas and immigration documents authorizing you to reside in the UK.

Your shipment allowance is as follows:

Air shipment: Families with Children: Up to 500 lbs.

Sea shipment: Family Size 1 or 2: Up to a maximum capacity of 20 ft. container (approx. 7,000 lbs.)

Family Size 3+: Up to a maximum capacity of 40 ft. container (approx. 14,000 lbs.)

The air shipment is designed for families with young children to ship toys, cribs, changing tables, etc. Average transit time is 7-10 days, so you will need to pack accordingly. The Firm authorizes re-delivery of these goods from your temporary to permanent accommodations.

The sea shipment will take approximately 30 days to reach your destination and clear customs. For safety and security reasons, the Firm places some restrictions on items that you are eligible to ship at its expense: these include, but are not limited to, very expensive items (e.g., jewelry, heirlooms, art and other collections), dangerous or hazardous materials, wine and spirits collections, weapons or ammunitions, and very large items or those requiring special care (e.g., pianos, automobiles and motorcycles, pool tables, safes, boats, pets), as well as goods prohibited by law. The Firm also reserves the right, where appropriate, to ship your goods in the most economical and efficient means available.

2. Storage at home for goods not shipped is provided for the duration of the assignment.

Long-Term Storage at Home

The Firm will provide for long-term storage of most items that you currently own and are not taking with you on assignment. Exceptions include, but are not limited to, automobiles, boats, heirlooms and jewelry, art and other collections, weapons and ammunitions.

3. Insurance is provided on goods shipped or stored by the Firm.

Insurance

The Firm will provide you with insurance coverage for goods that it is shipping or storing on your behalf. Insurance is taken on a replacement value basis. To be eligible for this benefit, you must comply with the requirements, restrictions and exclusions imposed by the current insurance policy. Wine and spirits are not covered by the Firm's Policy. Further information regarding this policy will be provided by International Human Resources.

If you require coverage for items not covered by the Firm's policy, the Firm can help you obtain it through its insurer or contracted moving company. However, you are responsible for any such expense.

Relocation

4. Airfare will be provided for all family members accompanying the employee on assignment.

Travel to Your New Home

You and any accompanying family members will be provided with final move air travel (direct to London) according to the Firm's travel policy. International Human Resources will facilitate making your travel reservations.

Shipment of Pets

The Firm is not responsible for the shipment and kenneling of pets. Assignees may ship pets to the host country, but all related expenses are the responsibility of the employee. There are several reputable organizations whose primary business is shipping pets. Please contact International HR to obtain a list of these organizations.

Split Shipments

The Firm covers only the cost of shipment from the assignee's primary residence to the assignment location. Shipment from or to any other destination (i.e., vacation or secondary homes) will be at the assignee's expense.

New Dependent Shipment

With the increase in family size due to a marriage or the birth of a child, the Firm will provide an additional shipment from the home to the host location, which will be limited to 500 lbs. These goods will be consolidated with the next shipment the Firm has planned to your destination. Please contact International Human Resources to make arrangements.

5. You should obtain personal/renters insurance in the host location.

Personal Property Insurance

The Firm provides insurance coverage for all goods shipped or stored at the Firm's cost. However, once items are unpacked at the host location, they are no longer insured by the Firm. It is important that you obtain insurance coverage in the host location once your household goods and personal effects have been delivered. In addition, insurance coverage is not provided by the Firm for items left at the former residence. Feel free to contact International Human Resources if you need assistance with obtaining the right type of insurance coverage.

Relocation

1. Up to 30 days of accommodations in a corporate apartment is provided in host location.

Temporary Accommodations

If your permanent residence is not available immediately on reaching London, the Firm will provide up-to-30-days of temporary living for you and accompanying family members. In most cases, temporary accommodation will be in the form of a corporate apartment. Where none are available, you will be asked to stay in a Firm-approved hotel.

The temporary accommodation benefit covers the cost of room (and applicable taxes) only. Your Choice Dollar allowance (refer to "Your Foreign Assignment Package"), which commences immediately upon your arrival in your host destination, is available to cover all other expenses. Assignees staying in hotel-style accommodations without access to kitchen facilities will be eligible for a "top up" per diem allowance in the amount of \$50 for each adult and \$25 for each child under 12 years in addition to their Choice Dollar allowances.

Prior to your move, the Firm also provides a maximum of two nights in an approved hotel, near your home, for use when your household furniture has been packed.

2. Broker's fees in the host location will be paid by the Firm.

Real Estate Broker's Fee

If it is customary to pay a broker's fee on securing an apartment in your host location, this cost will be paid by the Firm. Payment will be limited to reasonable charges in line with market practice, and assignees should endeavor to work through real estate agents and brokers offering discounted fees to the Firm. A list of these brokers is available from the International Human Resources representative in your area.

3. A tax-free cash allowance is provided to cover incidental expenses not explicitly covered by the Firm's policy.

Relocation Allowance

While the Firm's policy encompasses the major expense items involved with an international move, it is impossible to predict and reimburse all incidental costs that you might face. For this reason you will be provided with a net-of-tax cash relocation allowance immediately prior to your move. This is to offset miscellaneous expenses not otherwise addressed by the Firm's policy. Examples might include: non-refundable membership and application fees, laundry and dry-cleaning expenses while in temporary accommodation, purchase of appliances, currency exchange fees, telephone calls and movers tips. Allowances are set according to family size – the amount you will receive is outlined below and in the "Foreign Assignment Package" attachment to your assignment letter:

Family size of 1-2:	\$5,000
3:	\$7,500
4+:	\$10,000

Payroll And Banking

1. You will be paid in US\$ from the U.S. on or about the 10th of each month.

International Payroll

While on assignment, you will be paid from the International payroll. This US dollar payroll is domiciled and administered out of New York. You will continue to be the employee of a US entity but you will be seconded to your overseas entity. Your costs will be charged to a P&L in your host location.

You will be paid monthly, on or about the 10th of each month. You are paid partially in advance – that is, you are paid on the 10th of each month for the entirety of that calendar month. You will be transferred to International payroll once you are on assignment, with the timing determined to ensure a smooth transition from Domestic, bi-weekly payroll to International, monthly payroll. You cannot be transferred to the International payroll until your work permit/visa has been approved.

Salary Split

For tax planning reasons, your salary will be paid out of two separate US entities while you are on assignment in the UK. The split will be based on an allocation of the days that you work in the UK vs. the days that you work outside the UK. We will use an estimate during the year until the correct allocation is determined at year end.

The portion of your salary earned in the UK will be paid via Lehman Brothers International Services Inc. (LBISI), and will include all foreign allowances and employee benefit deductions. These LBISI funds will be eligible for the Chase Manhattan Banking Program described below.

The portion of your salary earned outside the UK will be paid via Lehman Brothers Overseas Inc. (LBOI). These funds should not be remitted to the UK; any taxes assessed on LBOI funds remitted to the UK will be the responsibility of the employee.

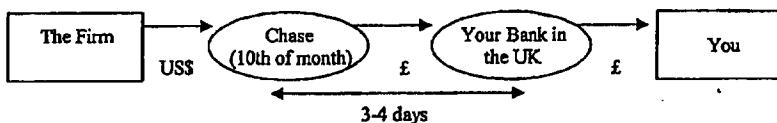
This process is described in more detail on page 23 under the section "What Will My Paycheck Look Like?"

Payroll And Banking

1. Conversion of US\$ salary & allowances to GBP can be done via Chase Manhattan Bank.

Chase Manhattan Banking Program

You are eligible to open a bank account under the International Employee Banking Program offered by Chase Manhattan Bank. Standard administration fees on a no-interest checking account are paid by the Firm – if you choose a more sophisticated vehicle, you are responsible for any additional fees and/or minimum balance requirements. The program is designed to facilitate the transfer of your monthly LBISI compensation and allowances to your host location at an exchange rate consistent with that used to determine your foreign assignment package. To receive the transfer of funds, you must instruct Chase to wire some or all of your funds deposited into your Chase account by the 17th of each month. The Firm will guarantee a floor on your currency exchange (if the spot rate is more advantageous you will get this rate instead). The Firm will pay for one wire transfer per month limited to your net monthly paycheck; transfers not used in one month may not be carried forward for use in a future month. The firm will also pay the fee for Chase to process up to two bill payments per month. The process is demonstrated below:



It is your responsibility to organize any wire transfer of funds between your Chase account and your host country bank account. Chase can accept wire transfer instructions via fax, provided they are signed by you or another designated account beneficiary. You should deal directly with the Firm's account representatives at Chase to coordinate this – many assignees set up standing wire transfer instructions to operate automatically until further notice. Local representatives of International Human Resources will assist you with opening a bank account in London.

Travel & Entertainment Expenses

Expense claims associated with your initial move should be submitted to International HR in New York. All other business expenses throughout your assignment should be submitted via T&E in the host location (unless you have "dual contract" status).

Allowances/Reimbursements

1. Choice \$ allowance defrays the higher cost of living in the UK.

Choice \$ Allowance (CHOICES\$)

The purpose of this payment is to defray the higher cost of living in your host location. It is designed considering the incremental costs of purchasing goods and services, renting residential accommodations, paying for basic utility services and visiting family & friends in the US once a year.

The amount is based on market survey data provided by an international consulting firm, and is determined with reference to base salary and family size. The amount of your allowance is outlined in the "Foreign Assignment Package" attachment to your assignment letter.

This net-of-tax cash allowance is paid monthly in addition to your base salary and is paid in US dollars.

The allowance will be changed/updated annually, usually in March, in response to changes in relative market prices between New York and London, as well as changes in your base salary and family size. The allowance will also be reviewed quarterly and changed/updated when the 15 day average exchange rate, measured at the end of each fiscal quarter, has fluctuated more than 5%. Note that CHOICES\$ may increase or decrease over the course of your assignment depending on the movement of relative prices and currency exchange rates.

2. Reimbursement for education costs for dependent children K-12 are provided.

Reimbursement of Education Costs

Education costs for dependent children in grades K-12 are reimbursed to provide access to the American education curriculum. Actual tuition, registration fees, and bus transport costs up to the cost of the local American school are eligible for reimbursement. Expenses such as music lessons, dance lessons, uniforms, books, lunches, sports activities, boarding or field trips are not eligible for reimbursement.

Limited reimbursement of the incremental cost of nursery school in the host location (over the home location) is also available. The cost of nursery school in excess of the comparable cost in New York is reimbursable for children aged 3+ as follows:

Half Day Program: The Firm reimburses tuition in excess of \$1,500/year.

Full Day Program: The Firm reimburses tuition in excess of \$3,000/year.

Reimbursement is provided upon receipt of required documentation.

Allowances/Reimbursements

3. Housing subsidy is included in your Choice \$ allowance.

Housing

One of the most significant additional costs you will face while on assignment in London is the incremental cost of renting residential accommodations. The portion of your CHOICES\$ allowance that you allocate to this expense will be according to your personal priorities – however, there are two important points that you should consider when determining your housing budget:

1. In determining your CHOICES\$ allowance, we considered only the incremental cost of rental in London when compared with typical costs in the New York area. The allowance is not intended to cover assignees for full accommodation costs. Therefore, you should consider your housing budget as consisting of:
 - any allocation you make from CHOICES\$ **PLUS**
 - your current housing expenditure in New York (or an amount that represents your contribution for housing).
2. Many assignees choose to live in Central London. The nature and cost of residential accommodations in this area are more closely in line with the Upper East Side of Manhattan than outer-borough or other tri-state location. Expectations and budgets should be set accordingly.

4. The firm will obtain a lease on your behalf and pay the rent. The rent cost will be converted to \$ and deducted from your pay.

Lease Administration

To assist you in securing your property of choice in London's active rental market, the Firm will underwrite a lease on your behalf. The Firm will pay rent directly to your landlord and will deduct a rent expense from your monthly compensation. Your lease denominated in Pounds Sterling will be converted to a US dollar payroll deduction at the currency exchange rate on which your CHOICES\$ allowance is based. If your monthly rental cost is in excess of your monthly cash flow, you will be required to reimburse the Firm for your rent expense via check.

The Firm lease covers only the mechanics of securing a lease and making periodic lease payments – the Firm will not be responsible for security deposits, other expenses, renovations, or damages associated with the residence except as described below.

5. You will be responsible for dilapidation costs above your allocated accrual for such expenses.

Dilapidations

At the conclusion of your residency in your Firm-leased property, your landlord may make a dilapidations claim. This claim will be verified by an external vendor appointed by the Firm. The Firm agrees to fund your dilapidations claim up to a maximum limit, known as your dilapidations accrual. Your dilapidations accrual is specified in your assignment letter, and may be periodically increased during your tenancy (you will be notified if this happens). Any claim in excess of your dilapidations accrual will be paid by the Firm but re-invoiced to you for your account (refer to page 20 under "Offsets against Bonus" for additional information).

Taxation

1. You will be Tax Equalized while on assignment.

Tax Equalization

While on assignment, you will be subject to the Firm's Tax Equalization Policy. This policy is designed to:

- insulate you from material tax differentials between the US and the UK; and
- ensure that you do not bear the tax liability on your relocation and expatriate benefits, allowances and reimbursements. These are delivered tax free to you.

2. Tax equalization eliminates any material advantage or disadvantage due to tax differentials between the UK and the U.S.

While on assignment, you pay hypothetical tax on your Lehman Brothers compensation. In exchange, the Firm pays the actual tax liability on your Total Compensation plus expatriate benefits in accordance with the Firm's Tax Equalization Policy. Estimated hypothetical tax is deducted from your compensation in lieu of actual withholding. You continue to be responsible for any tax liabilities arising from your personal income.

3. Hypothetical taxes will be withheld from your pay.

Adjustments will be made to your hypothetical tax due to changes in total compensation, marital status, family size and tax legislation in the US (including New York State and City). This same arrangement applies to any bonus payments you may receive while on assignment.

4. A tax equalization settlement is calculated annually to reconcile all hypothetical and actual tax payments made during the year.

Upon completion of your tax returns, there is a reconciliation between you and the Firm. A final hypothetical tax liability is calculated on your Total Compensation and is compared to the hypothetical tax withheld from you during the year. Any excess withholding will be refunded to you, while a shortfall in hypothetical tax withholding will result in money owed to the Firm.

5. Tax loans made by the Firm on your behalf must be repaid if they are in excess of your actual tax liability.

Tax Loans

From time to time, the Firm may make payments to the tax authorities on your behalf. These payments are considered tax loans and are based on estimates of your tax liabilities both in the US and in London. These tax loans are repayable to the Firm if they are made in excess of your final tax liability on equalized income.

6. Foreign tax credits for taxes paid by the Firm accrue to the Firm.

Foreign Tax Credits

The benefit of foreign tax credits, for foreign taxes paid/reimbursed by the Firm under the tax equalization program, accrues to the Firm. The utilization by the assignee of these foreign tax credits to reduce his/her personal tax liability on pre-assignment income, on income earned prior to joining the Firm, and/or on outside personal income, including spousal income, will result in an amount due the Firm for the amount of the credits used.

Taxation

7. While eligible for a Certificate of Coverage, you will remain in the US social security system.

Certificate of Coverage

Provided that the Firm is able to obtain a Certificate of Coverage on your behalf from the foreign tax authority, you will continue to pay FICA contributions rather than contributing to the comparable social security system in the United Kingdom. Where you are not eligible for a certificate, or your certificate expires during your assignment period, you will contribute instead to UK National Insurance, which will be withheld in lieu of US FICA.

8. The Firm will engage a prominent accounting firm to assist you in completing your US and UK tax returns.

Tax Preparation Assistance

During your foreign assignment term, and in most cases for at least one year thereafter, the Firm will engage a designated accounting Firm to prepare your US and UK tax returns. The tax preparation fees are paid by the Firm. However, please note that services such as personal financial planning, estate planning, etc., are not covered by the Firm's tax preparation arrangement.

All employees are expected to file their tax returns in a timely manner while they are on assignment. You are obligated to cooperate with the Firm's accountants and to promptly provide all requested information, forms, and signatures.

Employee Benefits While on Assignment

1. Certain tax deferred savings arrangements (with the exception of the Tax Deferred Savings Plan) are not available to you in the UK.

While seconded by the US entity to the London office, you will remain eligible to participate in all of the following US benefit plans subject to their eligibility provisions and other terms:

Medical Plan
Dental Assistance Plan
Vision Care Plan*
Life Insurance
Disability Insurance
Flexible Spending Accounts
Employee Stock Purchase Plan
Tax Deferred Savings Plan
Retirement Plan

2. Flexible Spending Accounts (FSAs) for health care will remain tax effective for you in the US. However, FSAs relating to childcare will no longer be tax effective if your childcare provider does not have a US taxpayer ID.

Any changes to enrollment periods or to the US benefit plans listed will be announced and made available to you during your assignment.

During your assignment, we strongly recommend that you elect the Major Medical option for medical coverage. The plan will give you the flexibility to see any doctor anywhere in the world and receive reimbursement (subject to the rules of the plan). Also, the Major Medical provides for the services of a special International division that is designed to address the special needs of employees working abroad. Detailed information will be provided by International Human Resources.

* Note that this is a network plan. You may visit in-network practitioners during return trips to the US – however, you will have only "out-of-network" coverage available for use in London.

Bonuses Paid During Assignment

1. Bonuses are determined and paid in US\$.

Determination of Bonus

All bonuses paid by the Firm are initially determined in US dollar terms. The bonus determination process is standardized on a global basis.

As you receive your monthly compensation in US dollars, your bonus will also be paid to you in US dollars. The bonus payment dates for Lehman locations globally usually fall within a two-week period in January.

2. In lieu of RSUs (Restricted Stock Units) you will receive CSAs (Contingent Stock Awards).

Payment of Bonus/Stock Award Program

You will remain a participant in the Firm's Stock Award Program while on assignment. Under this program, a portion of your total compensation may be delivered in the form of Contingent Stock Awards (CSAs). CSAs are awarded to the Firm's employees working outside the US and are designed to parallel many key aspects of Restricted Stock Units for US employees. It is important that you clearly understand the terms of these awards as outlined in the CSA letter and brochure that you will receive for any award made under this program.

Awards that convert to shares of Lehman Brothers stock (whether granted prior to or during your foreign assignment) while you are covered by the Firm's expatriate policy will be tax equalized in accordance with the terms of the policy.

3. Although bonuses are paid in US\$, you may wire transfer a portion of the bonus at a fixed exchange rate to your bank account in the host location.

Exchange of Bonus into Your Host Country Currency

The Firm guarantees a fixed "Bonus Exchange Rate" which applies to a maximum dollar limit of your LBISI cash bonus, provided you transfer the amount via the Chase banking program. The maximum dollar limit is set by the Firm each year. You will be notified of the maximum in advance of the bonus payment date. The guaranteed rate is not the same foreign exchange rate used to convert your monthly salary, rather it is an average daily rate calculated for the Firm's fiscal year and is the same rate used to convert the US dollar bonuses of your local peers in London into Pounds Sterling. It is usually an average daily exchange rate, and operates as a floor rate on your bonus transfer subject to the maximum amount. Since the rate operates as a "floor" you will receive the spot rate on your transfer if it is preferential. There is no restriction on the amount of bonus that you may transfer to your host location – however, any amount in excess of the maximum dollar limit will be converted at the prevailing spot rate.

4. Bonuses are subject to hypothetical tax withholding.

Taxation of Bonus

Bonuses paid during or in connection with your foreign assignment will be tax equalized, and are therefore paid net of hypothetical tax withholding during a complete assignment year. The calculation of hypothetical tax due on bonus payments considers the tax withheld on a year-to-date basis, an estimate of total Firm-paid compensation for the year and any applicable deductions.

During your year of transfer, actual US taxes will be levied on that portion of your bonus relating to a pre-assignment period; hypothetical tax will be levied on the remainder. For your return year, actual US tax will be withheld as if you were working in the US for the entire year, but hypothetical tax may be withheld where the Firm is due credits for exclusions and/or accumulated foreign tax credits resulting from your assignment period. For the purposes of your actual tax returns in both the US and the UK, the accountant engaged by the Firm as your tax preparer will determine all positions to be taken with regard to taxability of a bonus.

Bonuses Paid During Assignment

5. The Firm reserves the right to deduct funds owed to the Firm from your bonus. You will be notified in advance of any such deduction.

Offsets against Bonus

In some circumstances, tax equalization loans that have been outstanding for a considerable time period will be automatically charged as an advance against your following year bonus or CSAs. You will receive written notification if this situation should arise. Prompt settlement of tax monies owing to the Firm will ensure that this situation is avoided.

In addition, you are required to reimburse the Firm for any dilapidations claims in excess of your dilapidations accrual. Amounts outstanding for more than 60 days from the date of invoice will automatically be regarded and booked as an advance against your next bonus or CSAs.

Other

1. The duration of an international assignment, with full allowances, is 3 years.

Career Planning & Review

Your assignment in London is initially anticipated to last for three years unless you have been otherwise advised by International HR. You should meet regularly with your manager over this time to discuss future opportunities and career moves.

If, at the conclusion of your initial assignment, it is determined that your career path lies in the host location, you will become part of the Expatriate Transition Program (ETP). This program is designed to shift assignees from a full foreign assignment package to a local compensation package to maintain greater alignment between long-term work peers. The ETP provides for a fully tax-equalized, two-year gradual phase-out of foreign assignment allowances and benefits.

2. At the end of your assignment, you may be entitled to repatriation services.

Repatriation/Separation/Termination

You will receive repatriation assistance from the Firm when returning to resume your career at Lehman Brothers in New York. The details of this assistance will be explained to you during your orientation meeting with International Human Resources. In addition, if you leave the Firm involuntarily during your assignment, the Firm will ordinarily repatriate you and your accompanying family members to the US. Repatriation will include shipment of your household goods and personal belongings, and return airfare (details would be set out in a separation agreement).

However, if you leave the Firm voluntarily, the Firm will not assume responsibility for repatriation or any expenses you incur associated with your move from your host location. In this situation, you and your accompanying family members will be provided with an economy class one-way airfare to return if required by local immigration law.

Additionally, should you voluntarily leave the Firm within the first six months of your transfer, you will be required to repay the Firm for all or part of those relocation expenses paid to you or on your behalf. Remittance is required according to the following schedule:

<u>Termination</u>	<u>Amount to be Repaid</u>
Within 1 st month	6/6 of total
Within 2 nd month	5/6 of total
Within 3 rd month	2/3 of total
Within 4 th month	1/2 of total
Within 5 th month	1/3 of total
Within 6 th month	1/6 of total

Other

3. Emergency leave is provided in cases of serious illness or death of immediate family members.

Emergency Leave

Provisions exist within the Firm's policy surrounding foreign assignments to provide for paid leave and airfare in the unfortunate case of serious illness or death in your immediate family. Please discuss your requirements with International HR as soon as practicable should this situation arise.

Dependent Visits

When dependent children attend school in the home country, the Firm will reimburse the cost of 2 round trips (economy airfare) per child, per year to visit parents in the host country. Only trips to the host country will be reimbursed.

If you are divorced and your children live with their other parent in the home country, we will also reimburse you for the cost of two round trips (economy airfare) for your children to visit you in London.

Dependent visits require proper authorization and should be arranged directly through International Human Resources.

What Will My Paycheck Look Like?

As described on page 12, for tax reasons, your compensation will be classified as LBISI or LBOI and subject to different treatment accordingly. The differences are outlined in the following table:

		LBISI Compensation	LBOI Compensation
CONTENT	Salary	Portion of annual salary based on anticipated % of work days spent within the UK	Portion of annual salary based on anticipated % of work days spent outside the UK
	less Tax	Hypotax relating to LBISI salary	Hypotax relating to LBOI salary
	plus Allowances	CHOICE\$ Allowance	Not Applicable
	less Deductions / Contributions for employee benefits (e.g., medical, dental, 401k, ESPP)	According to employee election	Not Applicable
PAYMENT		Via Chase Manhattan Banking Program	Via Lehman Brothers, Fidelity or FRA brokerage account or other account
RESTRICTIONS		None	Should not be remitted to the UK

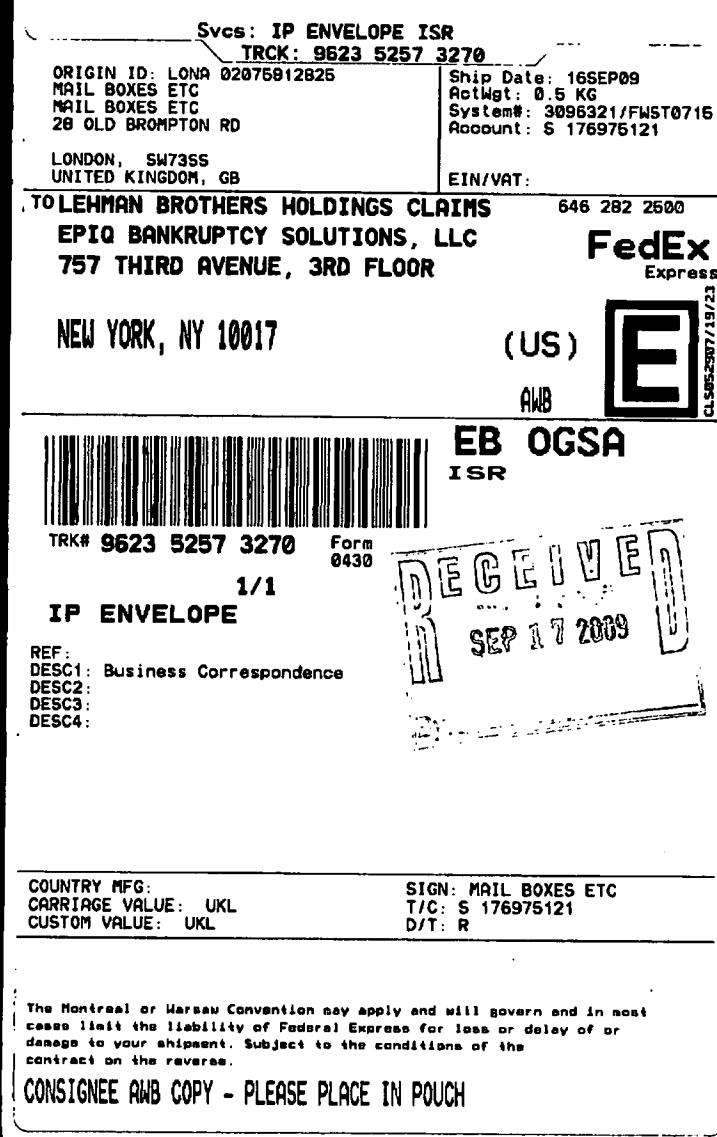
At the outset of your assignment, you will be asked to nominate the percentage of your work year that you anticipate spending outside the UK. The most common splits for LBISI and LBOI respectively are: 95% and 5% or 90% and 10%. Your split may change over the course of your assignment due to material changes in the travel required by your position with the Firm.

The ultimate aim of the program is to allocate your Total Compensation over a tax year period to reflect your actual split of days worked in the UK and days worked outside the UK. Therefore, you will be required to keep a calendar of your work days and you will be asked to submit this calendar to the International Human Resources representative in London at year-end. We will use your cash bonus payment as the mechanism to adjust for discrepancies between anticipated and actual foreign work day allocation, such that your Total Compensation is correctly apportioned.

What Will My Paycheck Look Like?

Shown below is a sample expatriate paycheck, outlining typical expatriate allowances and deductions.

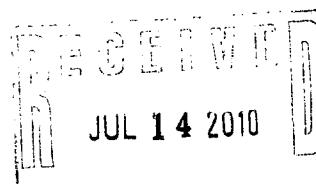
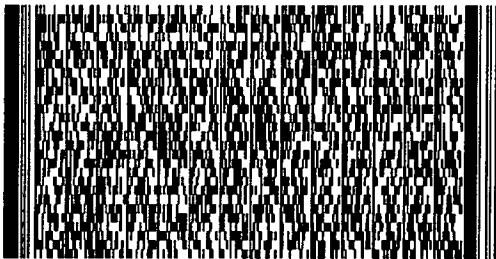
Lehman Brothers Inc. Payroll Department 101 Hudson Street - 38th Fl Jersey City NJ 07302-3988		Pay Group: MEX - Monthly Expatiate Pay Begin Date: 9/1/1999 Pay End Date: 9/30/1999		Business Unit: FID Check #: 113130 Check Date: 9/10/1999																																																																																																																																																																																																																																																																						
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From: Originator: 124-20708540F

Lisa Khrade
LBSI SERVICE LTD
6th Floor
111 Old Broad Street
LONDON, EC2N1FP
UNITED KINGDOM

Entered:08/09/12 16:13:04 Pg 51 of 134

Printed on: 12/15/2010
Activity: 09/12/2010
CAD: 101206466/INET3060REF: Andrew W
DESC-1: Correspondence/No Customs Value
DESC-2:
DESC-3:
DESC-4:COUNTRY MFG: GB
CARRIAGE VALUE: 0.00 UKL
CUSTOMS VALUE: 0.00 UKL
T/C: S 480977602
SIGN: Lisa Khrade
EIN/VAT:
PKG TYPE: ENVSHIP TO: (207) 070-6530 BILL SENDER
EPIQ Bankruptcy Solutions LLC
Lehman Bro Holdings Claims Process
757 Third Avenue
3rd FloorNEW YORK, NY 10017
US

The Warsaw Convention may apply and will govern and in most cases limit the liability of Federal Express for loss or delay of or damage to your shipment. Subject to the conditions of the contract.

CONSIGNEE COPY - PLEASE PLACE IN POUCH

588G15M07/6A24

TRK# 7988 4404 9700
0430ABy
INTL PRIORITY

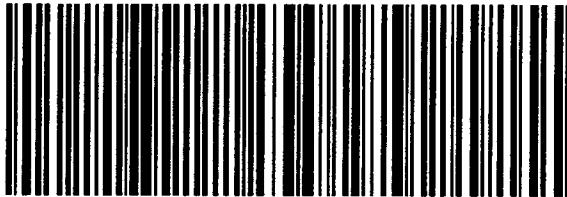
ISR

10017

NY-US

EWR

EB OGSA

**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

LEGAL TERMS AND CONDITIONS OF FEDEX SHIPPING DEFINITIONS. On this Air Waybill, "we", "our", "us", and "FedEx" refer to Federal Express Corporation, its subsidiaries and branches and their respective employees, agents, and independent contractors. The terms "you" and "your" refer to the shipper, its employees, principals and agents. If your shipment originates outside the United States, your contract of carriage is with the FedEx subsidiary, branch or independent contractor who originally accepts the shipment from you. The term "package" means any container or envelope that is accepted by us for delivery, including any such items tendered by you utilizing our automated systems, meters, manifests or waybills. The term "shipment" means all packages which are tendered to and accepted by us on a single Air Waybill. **AIR CARRIAGE NOTICE.** For any international shipments by air, the Warsaw Convention, as amended, may be applicable. The Warsaw Convention, as amended, will then govern and in most cases limit FedEx's liability for loss, delay of, or damage to your shipment. The Warsaw Convention, as amended, limits FedEx's liability. For example in the U.S. liability is limited to \$9.07 per pound (\$20 per kilogram), unless a higher value for carriage is declared as described below and you pay any applicable supplemental charges. The interpretation and operation of the Warsaw Convention's liability limits may vary in each country. There are no specific stopping places which are agreed to and FedEx reserves the right to route the shipment in any way FedEx deems appropriate. **ROAD TRANSPORT NOTICE.** Shipments transported solely by road to or from a country which is a party to the Warsaw Convention or the Contract for the International Carriage of Goods by Road (the "CMR") are subject to the terms and conditions of the CMR, notwithstanding any other provision of this Air Waybill to the contrary. For those shipments transported solely by road, if a conflict arises between the provisions of the CMR and this Air Waybill, the terms of the CMR shall prevail. **LIMITATION OF LIABILITY.** If not governed by the Warsaw Convention, the CMR, or other international treaties, laws, other government regulations, orders, or requirements, FedEx's maximum liability for damage, loss, delay, shortage, mis-delivery, non-delivery, misinformation or failure to provide information in connection with your shipment is limited by this Agreement and as set out in the terms and conditions of the contract of carriage. Please refer to the contract of carriage set forth in the applicable FedEx Service Guide or its equivalent to determine the contractual limitation. FedEx does not provide cargo liability for all risks in transit, but you may pay an additional charge for each additional U.S. \$100 (or equivalent local currency for the country of origin) of declared value for carriage. If a higher value for carriage is declared and the additional charge is paid, FedEx will be liable for liability up to the lesser of the declared value for carriage or your actual damages. **LIABILITIES NOT ASSUMED IN ANY EVENT.** FEDEX WON'T BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT, INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL, EXCESS OF THE DECLARED VALUE FOR CARRIAGE, INCLUDING BUT NOT LIMITED TO LOSS OF INCOME OR PROFITS) OR THE ACTUAL VALUE OF THE SHIPMENT. IF LOWER, WHETHER OR NOT FEDEX KNEW OR SHOULD HAVE KNOWN THAT SUCH DAMAGES MIGHT BE INCURRED. FedEx won't be liable for your acts or omissions, including but not limited to incorrect declaration of cargo, improper or insufficient packaging, securing, marking or addressing of the shipment, or for errors or omissions of the recipient or anyone else with an interest in the shipment or violations by any party of the terms of this agreement. FedEx won't be liable for damage, loss, delay, shortage, mis-delivery, non-delivery, misinformation or failure to provide information in connection with shipments of cash, currency or other prohibited items or in instances beyond our control, such as acts of God, acts of the air, weather conditions, mechanical delays, acts of public enemies, war, strike, civil commotion, or acts or omissions of public authorities (including customs and health officials) with actual or apparent authority. **NO WARRANTY.** We make no warranties, express or implied. **CLAIMS FOR LOSS, DAMAGE OR DELAY.** ALL CLAIMS MUST BE MADE IN WRITING AND WITHIN STRICT TIME LIMITS. SEE OUR TARIFF, APPLICABLE FEDEX SERVICE GUIDE, OR STANDARD CONDITIONS OF CARRIAGE FOR DETAILS. The Warsaw Convention provides specific written claims procedures for damage, delay or non-delivery of your shipment. Moreover, the interpretation and operation of the Warsaw Convention's claims provisions may vary in each country. Refer to the Convention to determine the claims period for your shipment. The right to damages against us shall be extinguished unless an action is brought within two years, as set forth in the Convention. FedEx is not obligated to act on any claim until all transportation charges have been paid. The claim amount may not be deducted from the transportation charges. If the recipient accepts the shipment without noting any damage on the delivery record, FedEx will assume the shipment was delivered in good condition. In order for us to consider a claim for damage, the contents, original shipping carton and packing must be made available to us for inspection. **MANDATORY LAW.** Insofar as any provision contained or referred to in this Air Waybill may be contrary to any applicable international treaties, laws, government regulations, orders or requirements such provisions shall remain in effect as a part of our agreement to the extent that it is not overridden. The invalidity or unenforceability of any provisions shall not affect any other part of this Air Waybill. Unless otherwise indicated, **FEDERAL EXPRESS CORPORATION**, 2005 Corporate Avenue, Memphis, TN 38132, USA, is the first carrier of this shipment. Email address located at www.fedex.com.

United States Bankruptcy Court/Southern District of New York

Lehman Brothers Holdings Claims Processing Center
 c/o Epiq Bankruptcy Solutions, LLC
 FDR Station, P.O. Box 5076
 New York, NY 10150-5076

In Re: Merit, LLC, Chapter 11 Case No. 09-17331 (JMP)
 In Re: LB Somerset LLC, Chapter 11 Case No. 0917503 (JMP)
 In Re: LB Preferred Somerset LLC, Chapter 11 Case No. 09-17505 (JMP)

Name of Debtor Against Which Claim is Held Case No. of Debtor

Lehman Brothers Holdings Inc. 08-13555

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

PROOF OF CLAIM

Filed: USBC - Southern District of New York
 Lehman Brothers Holdings Inc., Et Al.
 08-13555 (JMP) 0000066940



Name and address of Creditor: (and name and address where notices should be sent if different from Creditor)

Andrew Weber
 8 Hollywood Road
 London SW10 9HY
 UK.
 Telephone number: +44 7879432119 Email Address: Weber.ea@yahoo.com

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: 7444
 (If known)

Filed on: Aug 5, 2009

Name and address where payment should be sent (if different from above)

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

Telephone number: Email Address:

1. Amount of Claim as of Date Case Filed: \$ 32,829.00

If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete Item 5.

If all or part of your claim qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9), complete Item 6.

Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges.

2. Basis for Claim: Service performed / Money owed
 (See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: _____

3a. Debtor may have scheduled account as: _____
 (See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: Real Estate Motor Vehicle Other

Describe: _____

Value of Property: \$ _____ Annual Interest Rate %

Amount of arrearage and other charges as of time case filed included in secured claim, if any:

\$ _____ Basis for perfection: _____

Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9): \$ _____
 (See instruction #6 on reverse side.)

7. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

8. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. Attach redacted copies of documents providing evidence of perfection of a security interest. (See definition of "redacted" on reverse side.) If the documents are voluminous, attach a summary.

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

Date:
 14 July
 2010

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim:

- Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).
- Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).
- Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).
- Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7).
- Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).
- Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____).

Amount entitled to priority:

\$ 32,829.00

FOR COURT USE ONLY

FILED / RECEIVED

JUL 14 2010

EPIQ BANKRUPTCY SOLUTIONS, LLC

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Name of Debtor, and Case Number:

Fill in the name of the Debtor in the bankruptcy case, and the bankruptcy case number.
09-17331 Merit, LLC 09-17503 LB Somerset LLC
09-17505 LB Preferred Somerset LLC

If your Claim is against more than one of the Debtors, complete a separate form for each Debtor.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure ("FRBP") 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4, 5 and 6. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim:

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state the annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing.

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the Claims Agent at the following address:

Lehman Brothers Holdings Claims Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, PO Box 5076
New York, NY 10150- 5076

Secured Claim Under 11 U.S.C. §506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)

Priority claims are certain categories of unsecured Claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim, or you may access the Claims Agent's system (<http://www.lehman-docket.com>) to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Andrew Weber
8 Hollywood Road
London SW10 9HY
United Kingdom
+44 7879 432 119
weber_aa@yahoo.com

14 July 2010

United States Bankruptcy Court / Southern District of New York
Lehman Brothers Holdings Claims Processing Center
Care of: EPIQ Bankruptcy Solutions, LLC
757 Third Avenue
3rd Floor
New York, New York 10017
United States

RE: Amendment to Proof of Claim 7444 / Change of Address

Dear Madam / Sir:

Please note that effective immediately, my new address is:

8 Hollywood Road
London SW10 9HY
United Kingdom
+44 7879 432 119
weber_aa@yahoo.com

There are no other amendments at this time to my claim. Thank you.

Sincerely

Andrew Weber

United States Bankruptcy Court/Southern District of New York Lehman Brothers Holdings Claims Processing Center c/o Epiq Bankruptcy Solutions, LLC FDR Station, P.O. Box 5076 New York, NY 10150-5076		PROOF OF CLAIM			
In Re: Lehman Brothers Holdings Inc., et al. Debtors		Filed: USBC - Southern District of New York Lehman Brothers Holdings Inc., Et Al. 08-13555 (JMP) 0000007444			
Name of Debtor Against Which Claim is Held Lehman Brothers Holdings Inc. 08-13555		THIS SPACE IS FOR COURT USE ONLY			
<small>NOTE: This form should not be used to make a claim for an administrative expense, unless after an order entered in the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503. Add or attach a copy of the order to this form. Do not attach a claim to an application for payment. See definition of "reverse side."</small>					
<small>Name and address of Creditor: (and name and address where notices should be sent if different from Creditor)</small> Andrew Weber 43 Draycott Place, Flat 1 London SW3 2SH 1447879432119 Weber_aa@yahoocom <small>Telephone number:</small> 1447879432119 <small>Email Address:</small> Weber_aa@yahoocom		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ <small>(If known)</small> Filed on: _____			
<small>Name and address where payment should be sent (if different from above)</small> <small>Telephone number:</small> _____ <small>Email Address:</small> _____		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.			
<p>1. Amount of Claim as of Date Case Filed: \$ 32,829.00</p> <p>If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4.</p> <p>If all or part of your claim is entitled to priority, complete Item 5.</p> <p>If all or part of your claim qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9), complete Item 6.</p> <p><input type="checkbox"/> Check this box if all or part of your claim is based on a Derivative Contract.* <input type="checkbox"/> Check this box if all or part of your claim is based on a Guarantee.*</p> <p>*IF YOUR CLAIM IS BASED ON AMOUNTS OWED PURSUANT TO EITHER A DERIVATIVE CONTRACT OR A GUARANTEE OF A DEBTOR, YOU MUST ALSO LOG ON TO http://www.lehman-claims.com AND FOLLOW THE DIRECTIONS TO COMPLETE THE APPLICABLE QUESTIONNAIRE AND UPLOAD SUPPORTING DOCUMENTATION OR YOUR CLAIM WILL BE DISALLOWED.</p> <p><input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges. Attach itemized statement of interest or charges to this form or on http://www.lehman-claims.com if claim is based on a Derivative Contract or Guarantee.</p> <p>2. Basis for Claim: <i>Contract performed Money Lent</i> <small>(See instruction #2 on reverse side.)</small></p> <p>3. Last four digits of any number by which creditor identifies debtor: 7213 <small>3a. Debtor may have scheduled account as: <small>(See instruction #3a on reverse side.)</small></small></p> <p>4. Secured Claim (See instruction #4 on reverse side.) <small>Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.</small> <small>Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other</small> <small>Describe: _____</small> <small>Value of Property: \$ _____ Annual Interest Rate %</small> <small>Amount of arrearage and other charges as of time case filed included in secured claim, if any: <small>\$ _____ Basis for perfection: _____</small></small></p> <p>Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____</p> <p>6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9): \$ _____ <small>(See instruction #6 on reverse side.)</small></p> <p>7. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.</p> <p>8. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. Attach redacted copies of documents providing evidence of perfection of a security interest. (See definition of "redacted" on reverse side.) If the documents are voluminous, attach a summary.</p> <p>DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.</p> <p>If the documents are not available, please explain:</p>				<p>5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.</p> <p>Specify the priority of the claim:</p> <p><input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a) _____</p> <p>Amount entitled to priority: \$ 32,829.06</p> <p>FOR COURT USE ONLY</p> <p>FILED / RECEIVED</p> <p>AUG 05 2009</p> <p>EPIQ BANKRUPTCY SOLUTIONS, LLC</p>	
<small>Date: <i>Aug 2009</i></small> <small>Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.</small> <small><i>Andrew Weber</i></small> <small>Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.</small>					

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Name of Debtor, and Case Number:

YOU MUST INDICATE THE SPECIFIC DEBTOR AGAINST WHICH YOUR CLAIM IS ASSERTED, INCLUDING THE THE NAME OF THE DEBTOR AND THE RELATED CASE NUMBER (DEBTORS AND CASE NUMBERS LISTED BELOW), IN THE SPACE ALLOTTED AT THE TOP OF THE CLAIM FORM.

08-13555	Lehman Brothers Holdings Inc.	08-13905	CES Aviation LLC
08-13600	LB 745 LLC	08-13906	CES Aviation V LLC
08-13885	Lehman Brothers Commodity Services Inc.	08-13907	CES Aviation IX LLC
08-13888	Lehman Brothers Special Financing Inc.	08-13908	East Dover Limited
08-13893	Lehman Brothers OTC Derivatives Inc.	09-10108	Luxembourg Residential Properties Loan Finance S.a.r.l.
08-13899	Lehman Brothers Derivative Products Inc.	09-10137	BNC Mortgage LLC
08-13900	Lehman Commercial Paper Inc.	09-10558	Structured Asset Securities Corporation
08-13901	Lehman Brothers Commercial Corporation	09-10560	LB Rose Ranch LLC
08-13902	Lehman Brothers Financial Products Inc.	09-12516	LB 2080 Kalakaua Owners LLC
08-13904	Lehman Scottish Finance L.P.	08-13664	PAMI Staller Arms LLC

If your Claim is against multiple Debtors, complete a separate form for each Debtor.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4, 5 and 6. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

DEFINITIONS

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A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing.

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

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Lehman Brothers Holdings Claims Processing
 c/o Epiq Bankruptcy Solutions, LLC
 FDR Station, PO Box 5076
 New York, NY 10150-5076

Secured Claim Under 11 U.S.C. §506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

Derivative Contract

A contract that is any of (i) a "swap agreement" as such term is defined in section 101(33B) of the Bankruptcy Code or (ii) a "Forward contract" as such term is defined in section 101(25) of the Bankruptcy Code. A cash-market purchase or sale of a security or loan (i.e. any purchase or sale of a security or loan for settlement within the standard settlement cycle for the relevant market), exchange-traded future or option, securities loan transaction, repurchase agreement in respect of securities or loans, and any guarantee or reimbursement obligations which would otherwise be included in the definition of such terms in the Bankruptcy Code shall not be considered a Derivative Contract for the purposes of this definition nor shall any notes, bonds, or other securities issued by the Debtors or their affiliates (including, but not limited to, Lehman Brothers Holdings Inc., Lehman Brothers Treasury Co. B.V., Lehman Brothers Bankhaus AG, Lehman Brothers Holdings plc, Lehman Brothers Securities N.V., and Lehman Brothers (Luxembourg) Equity Finance S.A.).

Guarantee

A promise, representation or agreement to answer for the payment of some debt or the performance of some duty in case of the failure of another person or entity who is liable in the first instance.

Lehman Programs Securities

Lehman Programs Securities means those securities included on the Lehman Programs Securities list available on <http://www.lehman-docket.com> as of July 27, 2009.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim, or you may access the Claims Agent's system (<http://www.lehman-docket.com>) to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Andrew Weber
43 Draycott Place
Flat 1
London SW3 2SH
United Kingdom

1 August 2009

RE: Andrew Weber Proof of Claim

TO WHOM IT MAY CONCERN:

Please find enclosed my proof of claim and supporting details related to taxes due related to my employment. These amounts were to be paid by Lehman Brothers to the UK government, but were not remitted post the bankruptcy and I had to pay them myself. Post bankruptcy, my employment contract was transferred from Lehman Brothers Inc. to Lehman Brothers Holdings Inc. with what I understand was a full assumption. Thus far Lehman Brothers Holdings Inc. has refused to pay these amounts and instructed me to file a claim. I contend that these amounts owed are priority amounts given (i) that they are related to taxes that were due and payable and (ii) that the assumption of my employment contract make this a matter of a post-petition nature.

Please also find enclosed a self addressed enveloped for provision of proof of receipt of claim, however, I would prefer to have notice of receipt sent to me via email on weber_aa@yahoo.com.

Thank you.

Sincerely,



Andrew Weber

Page 1 of 2

Weber, Andrew

Subject: FW: Mr A Weber - 2007/08 UK Tax Return - ACTION REQUIRED

Andrew Weber
LBHI Services Limited
Desk: +44.20.7102.0992
E-Mail: andrew.weber@lehman.com

From: Weber, Andrew
Sent: 16 March 2009 18:01
To: Andrew Weber
Subject: FW: Mr A Weber - 2007/08 UK Tax Return - ACTION REQUIRED

Andrew Weber
LBHI Services Limited
Desk: +44.20.7102.0992
E-Mail: andrew.weber@lehman.com

From: Andrew Weber [mailto:weber_aa@yahoo.com]
Sent: 30 December 2008 15:29
To: Weber, Andrew
Subject: Fw: Mr A Weber - 2007/08 UK Tax Return - ACTION REQUIRED

----- Forwarded Message -----

From: "PwC-LehmanBrothersTaxReturn@uk.pwc.com" <PwC-LehmanBrothersTaxReturn@uk.pwc.com>
To: weber_aa@yahoo.com
Sent: Tuesday, December 30, 2008 3:25:37 PM
Subject: Re: Mr A Weber - 2007/08 UK Tax Return - ACTION REQUIRED

Dear Andrew,

Thanks for your email. On the basis that you are paying the liability yourself and then being reimbursed by the administrators, the amount of the reimbursement would be included as income on your UK tax return when the reimbursement is received. On the basis that you are a higher rate tax payer in the UK when the reimbursement is received, the amount you would need to receive in order to be left with the net amount of £13,091 is as follows:

Net Amount £13,091
UK Tax Thereon: £13,091 X 40/60 £8,727
Gross amount £21,818

Please note that this does not take into account any US taxes that may potentially be due in respect of this payment.

Page 2 of 2

Kind regards

Fiona

PWC - Lehman Brothers UK Compliance Tax Team | HRS Expatriate Compliance Group

PWC | Plumtree Court | London, EC4A 4HT ☎: +44(0) 20 7213 1289 | ☎: +44(0) 20 7804 3162 | ☎: [email.PWC-LehmanBrothersTaxReturn@uk.pwc.com](mailto:PWC-LehmanBrothersTaxReturn@uk.pwc.com)

U.S. Treasury Circular 230 Disclosure: Any U.S. tax advice contained in the body of this e-mail was not intended or written to be used, and cannot be used, by the recipient for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code or applicable state or local tax law provisions.

Page 1 of 2

Weber, Andrew

From: Weber, Andrew
Sent: 16 March 2009 17:11
To: Andrew Weber
Subject: FW: Mr A Weber - 2007/08 UK Tax Return - ACTION REQUIRED
Importance: High
Attachments: Weber, A - 0708 - Tax Payment Instructions - FINAL.doc

Andrew Weber
LBHI Services Limited
Desk: +44.20.7102.0992
E-Mail: andrew.weber@lehman.com

From: john.h.price@uk.pwc.com [mailto:john.h.price@uk.pwc.com] **On Behalf Of PwC-Lehman Brothers Tax Return**
Sent: 22 December 2008 10:36
To: weber_aa@yahoo.com
Cc: Weber, Andrew
Subject: Mr A Weber - 2007/08 UK Tax Return - ACTION REQUIRED
Importance: High

Dear Andrew

As discussed, I am contacting you to notify you that your 2007/08 UK Tax Return has recently been finalised and will be mailed to you shortly via our website assignee.com.

We have prepared your tax return on the basis that you will be personally liable for any UK taxes relating to your Lehman's assignment income. **We have calculated that additional tax of £13,091.00 is payable by you for the year ended 5 April 2008.** This liability has arisen as a result of an under withholding of PAYE on your employment income.

Although the HMRC deadline for making this payment is 31 January 2009, we recommend that you make the payment due to HMRC before 31 December 2008, to enable you to claim a foreign tax credit on your US tax return at the earliest opportunity. If you do not make the payment by 31 December 2008 you may be unable to obtain a credit for this amount on your US return.

I have attached payment instructions for your information:

(See attached file: Weber, A - 0708 - Tax Payment Instructions - FINAL.doc)

FYI, Your National Insurance Number is [REDACTED] and your UTR number is [REDACTED] Number

Please contact me on the number below should you have any queries regarding this payment:

Kind regards

John

Page 2 of 2

U.S. Treasury Circular 230 Disclosure: Any U.S. tax advice contained in the body of this e-mail was not intended or written to be used, and cannot be used, by the recipient for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code or applicable state or local tax law provisions

----- End of message text -----

Season's greetings to you, your family and friends from everyone at PwC.
Since last season's festivities, we have become one of the first businesses to achieve the CommunityMark,
in recognition of our commitment to our local communities.
Have a great holiday season!

This e-mail is intended only for the person to whom it is addressed. If an addressing or transmission error has misdirected this e-mail, please notify the sender by replying to this e-mail. If you are not the intended recipient, please delete this e-mail and do not use, disclose, copy, print or rely on the e-mail in any manner. To the extent permitted by law, PricewaterhouseCoopers LLP does not accept or assume any liability, responsibility or duty of care for any use of or reliance on this e-mail by anyone, other than the intended recipient to the extent agreed in the relevant contract for the matter to which this e-mail relates (if any).

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Services Authority for designated investment business. PricewaterhouseCoopers LLP may monitor outgoing and incoming e-mails and other telecommunications on its e-mail and telecommunications systems. By replying to this e-mail you give your consent to such monitoring.

Visit our website <http://www.pwc.com/uk>

LEHMAN BROTHERS

DEBORAH MILLSTEIN
SENIOR VICE PRESIDENT

July 6, 2007

Andrew Weber
By Hand

Dear Andrew:

We are pleased to confirm the details of your transfer from Lehman Brothers Inc. to join Lehman Brothers Limited at the MD level in the Fixed Income Division, reporting initially to Georges Assi. You will be hired by Lehman Brothers Inc. in New York and seconded to Lehman Brothers Limited., in London. While on assignment in London, you will be employed by Lehman Brothers Inc. and seconded to Lehman Brothers Limited in London. Your corporate title of MD will be submitted for official approval by the Board of Directors as part of the next quarterly approval process. We expect your employment to begin on or about September 01, 2007.

For the performance year 2007 (your start date through November 30, 2007), your compensation will be as follows:

- Monthly base salary of \$████████, which is the equivalent of \$██████ per year.
- A minimum bonus in the amount of \$██████, less applicable deductions, payable at the time the Firm pays its annual 2007 bonus distribution (on or about January 31, 2008).

The foregoing salary will be paid for all periods of your active employment with the Firm in performance year 2007. The bonus amount set forth above will be paid at the time and in the amount stated except that it will not be payable if you have failed to obtain and/or maintain in good standing all applicable licenses and registrations or if, before the date of scheduled payment, you have resigned or have been terminated from the Firm because of misconduct, breach of Firm policies or rules, dishonesty, violation of laws or regulations, or substantial and continuing failure to perform employment duties or obligations satisfactorily (collectively or individually, "Cause"). The bonus amount set forth above may be reduced in the event of an approved leave of absence during the applicable performance year.

At the Firm's discretion, a portion of your 2007 and future years' total compensation (combined base salary, bonus, and other compensation) will be payable in conditional equity awards (restricted stock units, options, and/or other equity-based awards) pursuant to the Firm's Equity Award Program as then generally in effect for employees with your position and corporate title.

The terms and conditions of the Equity Award Program, including terms and conditions relating to vesting, exercisability, and forfeiture, will be established by the Firm from time to time in its discretion.

Andrew Weber

Page 2

In addition to the above compensation, provided we have received your executed offer letter and you satisfactorily meet all pre-employment requirements; the Firm will make you a special payment of \$, less applicable tax withholding and other deductions, to be paid on or about September 21, 2007. The payment described in this paragraph will not be considered part of your total compensation for purposes of the Firm's Equity Award Program.

All compensation payments described in this letter will be paid in accordance with our customary payroll practices, and will be subject to applicable payroll and income tax withholding and other applicable deductions. Your compensation for all periods after performance year 2007 will be determined at the Firm's discretion.

You will also be eligible to participate in the Firm's standard employee benefits program, which will be discussed with you shortly after you commence employment.

Please understand that this letter is not a contract of continuing employment. Your employment by the Firm is for no fixed term, and either you or the Firm may terminate the employment relationship at any time for any reason, subject to any applicable notice requirement. Currently, the Firm's notice policy requires officers of the Firm to provide 30 days' advance written notice of resignation, and provides for 30 days' advance notice by the Firm to its officers in the event of an involuntary termination under certain circumstances. In making this offer of employment, the Firm has relied on your representations (a) that you are not subject to any duty or obligation that would prevent you from becoming employed with us on your start date or that would in any way prevent you from performing the duties of your position, and (b) that you are not subject to any non-competition, non-solicitation or other restrictive covenant that might affect your employment by the Firm as contemplated by this letter.

In addition, your assignment is contingent on your qualifying for and obtaining a UK work permit. Your initial assignment will be covered under Lehman Brothers' current expatriate policy. The complete policy and all benefits related to it will be reviewed with you by our International Human Resources Department shortly.

Please understand that the terms and conditions of your employment by our Firm are governed by standard Firm policies. Among other things, this also means that this offer of employment is contingent on your satisfactorily meeting all pre-employment requirements. This also means that you must have and maintain in good standing all applicable licenses and registrations. If you are not registered at this time, we expect you to be registered at the earliest practical time, but in no event later than six (6) months following your date of employment. Among other things, this means that you must have and maintain in good standing all applicable licenses and registrations. If you are not registered at this time, we expect you to be registered at the earliest practical time, but in no event later than six (6) months following your date of employment.

Andrew, we are enthusiastic and pleased that you are going to be a part of our organization. Please confirm your agreement to the above by signing a copy of this letter in the space provided below, and returning it to me. An additional copy of this letter is enclosed for your files. Please contact me at 212-526-1280 if you have any additional questions or concerns.

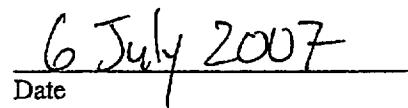
Andrew Weber
Page 3

Sincerely,



Deborah Millstein
Senior Vice President
Fixed Income Human Resources

Agreed to and accepted:


Andrew Weber
Date

LEHMAN BROTHERS

June 14, 2007

Andrew Weber
C/o Lehman Brothers
745, Seventh Avenue
New York, NY10019

Dear Andrew:

This letter and its enclosures outline the terms of your international assignment in London. Details of the terms of your assignment may be found in the "Package Details" insert and in the Foreign Assignment Handbook, both of which are enclosed for your reference. All terms relating to your assignment are strictly confidential and should be discussed only with your management, Lehman Brothers Human Resources and immediate family members.

Secondment

Lehman Brothers Inc., your US employer, is assigning you to Lehman Brothers Global Services Ltd. for international service. During this period, you will be employed by Lehman Brothers Global Services Ltd. (LBGSL) and you will be seconded to Lehman Brothers Limited. Your employment while on this assignment will be subject to New York State law (without reference to principles of conflicts of laws).

Assignment Term

Your assignment will commence on a date to be advised – but not earlier than the date on which you receive authorization from the immigration authorities to work in the UK. It is presently anticipated that your initial assignment will be for a three-year period. The length of the initial assignment is, however, subject to change at any time.

Should you remain on assignment through the end of three years, your expatriate status will be reviewed at that time. An Expatriate Transition Program (ETP) is presently in place for secondees remaining in the UK longer than three years. This program provides for a period of up to two years of expatriate-style benefits and allowances at a gradually reducing level.

Compensation

Your base salary and any bonuses will be paid to you in US dollars and administered via a New York payroll. Salary payments will be made monthly. You will also remain a participant in the Firm's Stock Award Program while on assignment. Under this program, a portion of your total compensation will be delivered in the form of Contingent Stock Awards (CSAs). CSAs are awarded to the Firm's employees working outside the US and are designed to parallel many key aspects of Restricted Stock Units for US employees. It is important that you clearly understand the terms of these awards as outlined in the CSA letter and brochure that you will receive for any award made under this program.

Expatriate Benefits/Allowances

You will receive expatriate benefits/allowances as outlined in the Foreign Assignment Handbook and specified in the enclosed "Package Details" insert.

Mr. Andrew Weber
June 14, 2007
Page 2

Relocation Benefits

The Firm has designed a relocation policy to encompass the major cost items associated with an international move. Details of your relocation benefits can be found in the Foreign Assignment Handbook.

Employee Benefits

During your initial assignment, you will generally remain eligible to participate in any of the US benefit plans in which you are currently participating. Please note that for tax or other reasons certain restrictions may apply. These restrictions are explained in the Foreign Assignment Handbook. Any changes to the enrollment periods or to the US benefit plans will be announced and made available to you while you are in London.

Offsets Against Compensation

The Firm reserves the right to withhold any amounts payable to you as compensation or otherwise and apply such withheld amounts to satisfy any indebtedness to the Firm to the maximum extent permitted by law. If any debt exists at the time of your termination of employment from the Firm, the Firm will have the right, to the maximum extent permitted by law, to recover such amount by offset against any amount otherwise awarded, credited or owing to you, including but not limited to amounts awarded to you under the Firm's Stock Award Program. By your signature below, you hereby authorize and consent to the aforementioned deductions.

The Firm reserves the right to make changes to the terms set forth in this letter and its enclosures, to its Foreign Assignment Handbook, and to its general international assignment policies and practices at any time. Neither this letter nor its enclosures is a contract of employment and does not give you any right to continued employment. Either you or the Firm may terminate your employment at any time.

If you have any questions regarding any of the material outlined, please contact me on (212) 320-7058, heather.rychener@lehman.com.

Sincerely,

Heather Rychener

Heather Rychener
Vice President
International Human Resources

I acknowledge receipt of the enclosed Foreign Assignment Handbook and understand the terms and conditions relating to my initial international assignment to London, which are explained in this letter and the Handbook. I am aware that all of these terms and conditions are subject to change.

Andrew Weber
Andrew Weber

6 July 2007
Date

FOREIGN ASSIGNMENT PACKAGE

EXECUTIVE ASSIGNMENT PACKAGE (EAP)

Our figures are based on the following assignment details, as of June 14, 2007:

Andrew Weber

██████████

Two

Name

Salary

Family size

London, United Kingdom

August 1, 2007

EU Education

Expected Date of Assignment

FOREIGN ASSIGNMENT

Prevailing FX Rate[†]: \$1.9966/£

CHOICE\$ Allowance*
(cash allowance paid to you)

██████████ per month

Dilapidations Accrual

(Firm's limit on dilapidation charges it will pay on your behalf)
(per assignment period or pro-rata portion based on length of tenancy)

██████████ per assignment

*No tax withheld. To be reviewed on September 1, 2007.

TAXATION

Estimated Hypothetical Tax Withholding
(deduction from you)

██████████ per month

As discussed in the Handbook, the above figures will change during your assignment based on:

- significant exchange rates fluctuations (reviewed quarterly). Next update: September 1, 2007
- changes in your family size, marital status and home ownership status (reviewed annually)
- changes in your salary and compensation level (reviewed annually)
- changes in relative prices (reviewed annually)
- updates or amendments to the Firm's foreign assignment policies
- changes in tax law
- significant periods of time that you or your accompanying family members spend away from your host location.

The figures may increase or decrease over the course of your assignment.

LEHMAN BROTHERS

FOREIGN ASSIGNMENT HANDBOOK
For EAP Expatriates

United Kingdom



May 2000

Introducing International Human Resources

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Glossary of Terms

It is important that you clearly understand the meaning of terms and phrases commonly used throughout this Handbook.

Accompanying-family member	An immediate family member, currently residing in your household, who is financially dependent on you and will be residing with you in London (including domestic partners, as defined below).
Assignee	An employee of the Firm who is transferred to an international work location at the Firm's request.
CHOICE\$	A cash payment designed to defray the material difference in living expenses you will face in London. Designed to be spent according to your personal preference, it considers the incremental costs of purchasing goods and services, renting residential accommodations, paying for basic utility services (e.g., electricity, gas and water) and visiting family and friends in the US annually.
Dilapidations	Charge for property damages levied in London by lessors of residential properties, on their lessees.
Dilapidations accrual	A maximum Firm contribution towards dilapidation charges levied on your leased property according to the Firm's definition of reasonable wear and tear.
Domestic Partner	Any person who has a currently registered domestic partnership with a governmental body pursuant to state or local law authorizing such registration. In the absence of a formal registration, you can register your domestic partnership by filing an affidavit with the Lehman Brothers Benefits Service Center. For a copy of the affidavit, please call the Benefits Service Center at 4-2363 (201-524-2363).
Foreign assignment term	The Firm-denominated duration of your overseas work assignment. The typical Foreign Assignment term initially anticipated by the Firm is three years in London. The Firm will provide you with a Foreign Assignment Package for the period that the initial assignment actually lasts, but not longer than three years in London.
Home country	You are considered a foreign assignee based from this location, and your package is designed accordingly. In almost all instances, assignees using this Handbook will have the United States as their home country. Your Home Country is the location of the office you worked in immediately prior to your overseas assignment and/or plan to return to after your assignment, unless you are advised otherwise by International HR.
Host country/location/ destination	Where you will be working and residing for the duration of your foreign assignment (London, UK).
Hypothetical tax	Notional tax rate charged by the Firm to assignees on their Total Compensation (TC). For US-based assignees, it is designed to approximate the individual's US, state and city tax liability on this income had he/she been working in New York. In return, the Firm pays the individual's actual tax liabilities relating to TC as well as both foreign and US tax liabilities relating to assignment benefits.

Visas and Immigration

1. Official permission to work in your host country is essential.

Who Needs a Visa / Work Permit?

A majority of countries worldwide require individuals who are not citizens to obtain special work permits and/or visas to be eligible to work and reside within the country. This is a legal requirement and non-compliance can have severe consequences both for the individuals and the Firm. Of course, all individuals and family members intending to transfer will need a current passport valid for at least six months after the date of transfer.

While the Firm is willing to offer relocation assistance to qualified domestic partners, many countries will not provide dependent visas to these individuals, and your partner may need to obtain their own visa. Please consult with International HR immediately to address this potential issue.

2. Begin working with International HR immediately.

Timing

It is the responsibility of the assignee to work with the home and host country offices to ensure that all necessary passports, visas, work permits, etc., are obtained prior to departure. The procedure to obtain the necessary documents can take up to three months – the timing depends on the local immigration authorities and is beyond the Firm's control.

Procedure

For assistance in applying for the required official documents, please contact International HR as soon as you accept an international assignment. International HR will provide you with a comprehensive list of information required from you – tailored for your intended host country, family situation and specific citizenship requirements. You will be asked to complete several application forms and supply various documents (for example, copies of college degrees/diplomas and your marriage certificate and child's birth certificate as applicable).

Please forward all information to International Human Resources for submission to the appropriate immigration authorities.

Cost

The cost of obtaining the required visas/work permits for you and any accompanying family members will be paid for or reimbursed by the Firm.

Relocation

1. Cross-Cultural Program

Cross Cultural Training

The Firm recognizes that cross-cultural awareness is important for employees and their families to live and work successfully in a foreign environment. Therefore, the Firm will organize and sponsor a one-day cross-cultural training program for you and your accompanying family members. The program is conducted off-site by a recognized consulting firm and attendance can be coordinated via International HR.

2. Loss on sale of car is provided.

Auto Sale / Auto Lease Break

The Firm will protect you against the loss incurred on the sale of your personal automobile(s) or your car lease break expense according to the following schedule:

Family Size 1: 1 car, up to a maximum loss of \$5,000

Family Size 2+: 2 cars, up to a maximum loss of \$10,000

For sale, loss is determined as the lesser of (1) the difference between the current retail value and actual sales price of the automobile; or (2) the difference between the current retail and wholesale values of the automobile. Values are established by reference to N.A.D.A.'s "Official Used Car Guide" or equivalent. To obtain reimbursement, you must submit to International HR a complete description of the automobile and accessories, proof of ownership and proof of sale including proof of sale price.

For lease break, there are often several options available; you should consult with International Human Resources to determine which option is the most cost effective.

Note: Should you elect to lease or purchase an automobile while on assignment, loss on sale/lease break is not provided upon repatriation or consecutive relocation.

This benefit does not apply to specialty or hobby automobiles.

3. Preview trip provided for employee and spouse or domestic partner.

Preview Trip

To assist you in settling in to your new location, the Firm will provide you (and your spouse or domestic partner) with a preview trip of up to seven days, including travel time. During your stay you will be provided with home search assistance to aid you in finding permanent accommodations in London. You will be accompanied to view homes that suit your personal preferences and your budget. You may also be provided with advice on school placements and other matters of local orientation where necessary.

For your trip you will be provided with reimbursement for transportation (airfare and taxis to and from airports) and hotel accommodation in accordance with the Firm's travel policy. All other expenses will be offset by a daily per diem available to you and your spouse or domestic partner. Your daily allowance will be \$110 per person. The allowance will be paid upon receipt of a copy of your hotel bill - no T&E claim forms or other forms of paperwork are required.

As the Firm does not provide for children to accompany you on your preview trip, an allowance of \$500 for the first minor child and \$250 for each additional minor child, up to a maximum of \$1000, will be provided to offset the cost of childcare while you and your spouse or domestic partner are visiting your host location, or to offset your child's travel expenses if you would prefer.

Relocation

4. The purchase of a home in the host location is strongly discouraged.

Home Sale/Purchase

The Firm does not provide assistance for homeowners wishing to sell their primary residences, nor does it reimburse loss on home sale under any circumstances. However, if you wish to sell your property you may access the three month vacancy benefit for residences vacant for up to three months immediately following your assignment start date and/or be reimbursed for closing costs on the sale of your primary residence – *provided that your home has not been entered into the Firm's property management program*. For reimbursement purposes, closing costs include brokerage fees, mortgage prepayment penalty and forwarding fees, legal fees, transfer taxes, and title and recording fees; expenses that will not be reimbursed include, but are not limited to, buyer's closing costs, mortgage interest, maintenance, real estate or other taxes, insurance, escrow items, or association dues. The total of all reimbursements is subject to a maximum of \$10,000. Upon your repatriation, no further assistance with respect to home purchase is provided.

The purchase of a residence in London is strongly discouraged and will result in the loss of any Firm housing subsidy. Further, no assistance will be provided to assignees who purchase a residence while on assignment. Any loss resulting from the sale of a residence will be borne by the employee.

Relocation

4. Airfare will be provided for all family members accompanying the employee on assignment.

Travel to Your New Home

You and any accompanying family members will be provided with final move air travel (direct to London) according to the Firm's travel policy. International Human Resources will facilitate making your travel reservations.

Shipment of Pets

The Firm is not responsible for the shipment and kenneling of pets. Assignees may ship pets to the host country, but all related expenses are the responsibility of the employee. There are several reputable organizations whose primary business is shipping pets. Please contact International HR to obtain a list of these organizations.

Split Shipments

The Firm covers only the cost of shipment from the assignee's primary residence to the assignment location. Shipment from or to any other destination (i.e., vacation or secondary homes) will be at the assignee's expense.

New Dependent Shipment

With the increase in family size due to a marriage or the birth of a child, the Firm will provide an additional shipment from the home to the host location, which will be limited to 500 lbs. These goods will be consolidated with the next shipment the Firm has planned to your destination. Please contact International Human Resources to make arrangements.

5. You should obtain personal/renters insurance in the host location.

Personal Property Insurance

The Firm provides insurance coverage for all goods shipped or stored at the Firm's cost. However, once items are unpacked at the host location, they are no longer insured by the Firm. It is important that you obtain insurance coverage in the host location once your household goods and personal effects have been delivered. In addition, insurance coverage is not provided by the Firm for items left at the former residence. Feel free to contact International Human Resources if you need assistance with obtaining the right type of insurance coverage.

Payroll And Banking

1. You will be paid in US\$ from the U.S. on or about the 10th of each month.

International Payroll

While on assignment, you will be paid from the International payroll. This US dollar payroll is domiciled and administered out of New York. You will continue to be the employee of a US entity but you will be seconded to your overseas entity. Your costs will be charged to a P&L in your host location.

You will be paid monthly, on or about the 10th of each month. You are paid partially in advance – that is, you are paid on the 10th of each month for the entirety of that calendar month. You will be transferred to International payroll once you are on assignment, with the timing determined to ensure a smooth transition from Domestic, bi-weekly payroll to International, monthly payroll. You cannot be transferred to the International payroll until your work permit/visa has been approved.

Salary Split

For tax planning reasons, your salary will be paid out of two separate US entities while you are on assignment in the UK. The split will be based on an allocation of the days that you work in the UK vs. the days that you work outside the UK. We will use an estimate during the year until the correct allocation is determined at year end.

The portion of your salary earned in the UK will be paid via Lehman Brothers International Services Inc. (LBISI), and will include all foreign allowances and employee benefit deductions. These LBISI funds will be eligible for the Chase Manhattan Banking Program described below.

The portion of your salary earned outside the UK will be paid via Lehman Brothers Overseas Inc. (LBOI). These funds should not be remitted to the UK; any taxes assessed on LBOI funds remitted to the UK will be the responsibility of the employee.

This process is described in more detail on page 23 under the section "What Will My Paycheck Look Like?"

Allowances/Reimbursements

1. Choice \$ allowance defrays the higher cost of living in the UK.

Choice \$ Allowance (CHOICES\$)

The purpose of this payment is to defray the higher cost of living in your host location. It is designed considering the incremental costs of purchasing goods and services, renting residential accommodations, paying for basic utility services and visiting family & friends in the US once a year.

The amount is based on market survey data provided by an international consulting firm, and is determined with reference to base salary and family size. The amount of your allowance is outlined in the "Foreign Assignment Package" attachment to your assignment letter.

This net-of-tax cash allowance is paid monthly in addition to your base salary and is paid in US dollars.

The allowance will be changed/updated annually, usually in March, in response to changes in relative market prices between New York and London, as well as changes in your base salary and family size. The allowance will also be reviewed quarterly and changed/updated when the 15 day average exchange rate, measured at the end of each fiscal quarter, has fluctuated more than 5%. Note that CHOICES\$ may increase or decrease over the course of your assignment depending on the movement of relative prices and currency exchange rates.

2. Reimbursement for education costs for dependent children K-12 are provided.

Reimbursement of Education Costs

Education costs for dependent children in grades K-12 are reimbursed to provide access to the American education curriculum. Actual tuition, registration fees, and bus transport costs up to the cost of the local American school are eligible for reimbursement. Expenses such as music lessons, dance lessons, uniforms, books, lunches, sports activities, boarding or field trips are not eligible for reimbursement.

Limited reimbursement of the incremental cost of nursery school in the host location (over the home location) is also available. The cost of nursery school in excess of the comparable cost in New York is reimbursable for children aged 3+ as follows:

Half Day Program: The Firm reimburses tuition in excess of \$1,500/year.

Full Day Program: The Firm reimburses tuition in excess of \$3,000/year.

Reimbursement is provided upon receipt of required documentation.

Taxation

1. You will be Tax Equalized while on assignment.

Tax Equalization

While on assignment, you will be subject to the Firm's Tax Equalization Policy. This policy is designed to:

- insulate you from material tax differentials between the US and the UK; and
- ensure that you do not bear the tax liability on your relocation and expatriate benefits, allowances and reimbursements. These are delivered tax free to you.

2. Tax equalization eliminates any material advantage or disadvantage due to tax differentials between the UK and the U.S.

While on assignment, you pay hypothetical tax on your Lehman Brothers compensation. In exchange, the Firm pays the actual tax liability on your Total Compensation plus expatriate benefits in accordance with the Firm's Tax Equalization Policy. Estimated hypothetical tax is deducted from your compensation in lieu of actual withholding. You continue to be responsible for any tax liabilities arising from your personal income.

3. Hypothetical taxes will be withheld from your pay.

Adjustments will be made to your hypothetical tax due to changes in total compensation, marital status, family size and tax legislation in the US (including New York State and City). This same arrangement applies to any bonus payments you may receive while on assignment.

4. A tax equalization settlement is calculated annually to reconcile all hypothetical and actual tax payments made during the year.

Upon completion of your tax returns, there is a reconciliation between you and the Firm. A final hypothetical tax liability is calculated on your Total Compensation and is compared to the hypothetical tax withheld from you during the year. Any excess withholding will be refunded to you, while a shortfall in hypothetical tax withholding will result in money owed to the Firm.

5. Tax loans made by the Firm on your behalf must be repaid if they are in excess of your actual tax liability.

Tax Loans

From time to time, the Firm may make payments to the tax authorities on your behalf. These payments are considered tax loans and are based on estimates of your tax liabilities both in the US and in London. These tax loans are repayable to the Firm if they are made in excess of your final tax liability on equalized income.

6. Foreign tax credits for taxes paid by the Firm accrue to the Firm.

Foreign Tax Credits

The benefit of foreign tax credits, for foreign taxes paid/reimbursed by the Firm under the tax equalization program, accrues to the Firm. The utilization by the assignee of these foreign tax credits to reduce his/her personal tax liability on pre-assignment income, on income earned prior to joining the Firm, and/or on outside personal income, including spousal income, will result in an amount due the Firm for the amount of the credits used.

Employee Benefits While on Assignment

1. Certain tax deferred savings arrangements (with the exception of the Tax Deferred Savings Plan) are not available to you in the UK.

While seconded by the US entity to the London office, you will remain eligible to participate in all of the following US benefit plans subject to their eligibility provisions and other terms:

Medical Plan
Dental Assistance Plan
Vision Care Plan
Life Insurance
Disability Insurance
Flexible Spending Accounts
Employee Stock Purchase Plan
Tax Deferred Savings Plan
Retirement Plan

2. Flexible Spending Accounts (FSAs) for health care will remain tax effective for you in the US. However, FSAs relating to childcare will no longer be tax effective if your childcare provider does not have a US taxpayer ID.

Any changes to enrollment periods or to the US benefit plans listed will be announced and made available to you during your assignment.

During your assignment, we strongly recommend that you elect the Major Medical option for medical coverage. The plan will give you the flexibility to see any doctor anywhere in the world and receive reimbursement (subject to the rules of the plan). Also, the Major Medical provides for the services of a special International division that is designed to address the special needs of employees working abroad. Detailed information will be provided by International Human Resources.

* Note that this is a network plan. You may visit in-network practitioners during return trips to the US – however, you will have only "out-of-network" coverage available for use in London.

Bonuses Paid During Assignment

5. The Firm reserves the right to deduct funds owed to the Firm from your bonus. You will be notified in advance of any such deduction.

Offsets against Bonus

In some circumstances, tax equalization loans that have been outstanding for a considerable time period will be automatically charged as an advance against your following year bonus or CSAs. You will receive written notification if this situation should arise. Prompt settlement of tax monies owing to the Firm will ensure that this situation is avoided.

In addition, you are required to reimburse the Firm for any dilapidations claims in excess of your dilapidations accrual. Amounts outstanding for more than 60 days from the date of invoice will automatically be regarded and booked as an advance against your next bonus or CSAs.

Other

3. Emergency leave is provided in cases of serious illness or death of immediate family members.

Emergency Leave

Provisions exist within the Firm's policy surrounding foreign assignments to provide for paid leave and airfare in the unfortunate case of serious illness or death in your immediate family. Please discuss your requirements with International HR as soon as practicable should this situation arise.

Dependent Visits

When dependent children attend school in the home country, the Firm will reimburse the cost of 2 round trips (economy airfare) per child, per year to visit parents in the host country. Only trips to the host country will be reimbursed.

If you are divorced and your children live with their other parent in the home country, we will also reimburse you for the cost of two round trips (economy airfare) for your children to visit you in London.

Dependent visits require proper authorization and should be arranged directly through International Human Resources.

What Will My Paycheck Look Like?

Shown below is a sample expatriate paycheck, outlining typical expatriate allowances and deductions.

Lehman Brothers Inc. Payroll Department 101 Hudson Street - 38th Fl Jersey City NJ 07302-3988		Pay Group: MEX - Monthly Expatriate Pay Begin Date: 9/1/1999 Pay End Date: 9/30/1999	Bank/Check Unit: FID Check #: 123630 Check Date: 9/1/99												
Jobs Expatriate 456 Main Street Flst 4b London, UK 2DG 7LA Employee ID: AOK000002 Department: 22307 Location: One Broadgate Job Title: Salesperson Pay Rate: \$15,000.00 Annual SSN: 621-89-2222		TAX DATA: Federal: XX State Marital Status: Married Allowances: 999 Add'l Pct: Add'l Amt:													
NET PAY HOURS AND EARNINGS PERIOD Current YTD Description Rate Hours Earnings Hours Earnings Description Current YTD LBISI - UK Salary 6,300.00 36,000.00 56,700.00 Federal Tax 0.00 0.00 LBISI - USA Salary 400.00 400.00 1,200.00 Medicare Tax 210.00 2,250.00 International Choice 1,000.00 1,000.00 9,000.00 Social Security Tax 0.00 4,500.00 Bonus LBISI 1994 50,000.00 50,000.00 NY Tax 0.00 0.00 Bonus LBISI 1998 10,000.00 10,000.00 NY Disability 0.00 0.00 '98 Foreign Tax Loss 5,000.00 5,000.00 NY NEW YORK Tax 0.00 0.00 '98 RSU LBISI Bonus 5,000.00 5,000.00 '98 RSU LBISI Bonus 4,000.00 Total: 110,000.00 160,900.00 Total: 210.00 6,750.00 BEFORE TAX DEDUCTIONS AFTER TAX DEDUCTIONS BEFORE TAX DEDUCTIONS AFTER TAX DEDUCTIONS Description Current YTD Description Current YTD Description Current YTD HYPO Tax - LBISI 2,500.00 36,000.00 '98 RSU FICA Tax Due 0.00 140,000.00 OVER PAYMENT 10.00 73.00 HYPO Tax - LBOI 300.00 3,600.00 '98 RSU LBISI Bonus Other 0.00 3,000.00 Housing Offset - LBISI 1300.00 13,300.00 '98 RSU LBOI Bonus Other 0.00 4,000.00 Pre-Tax Medical 300.00 900.00 Employee Stock Purchase Plan 0.00 4,000.00 Pre-Tax Dental 5.00 45.00 TDSF 401(k) 0.00 10,000.00 Total: 14,010.00 64,045.00 Total: 0.00 14,400.00 Total: 0.00 TOTAL GROSS PAY TOTAL FED/TAXABLE (W42) TOTAL PAY TOTAL DEDUCTIONS TOTAL NET PAY Current: 110,000.00 3,693.00 210.00 14,401.00 96,045.00 YTD: 160,900.00 56,835.00 6,750.00 64,045.00 96,055.00															
MESSAGE: sample paycheck															
LEHMAN BROTHERS Deposit Amount: \$3,445.00		Lehman Brothers Inc. Payroll Department 101 Hudson Street - 38th Fl Jersey City NJ 07302	Date: 09/10/1999 Advice No.: 123630												
To The Account(s) Of Jobs Expatriate 456 Main Street Flst 4b London, UK 2DG 7LA		DIRECT DEPOSIT DISTRIBUTION <table border="1"> <thead> <tr> <th>Account Type</th> <th>Account Number</th> <th>Deposit Amount</th> </tr> </thead> <tbody> <tr> <td>Checking</td> <td>152999999</td> <td>\$ 3,103.00</td> </tr> <tr> <td>FRA</td> <td>834999999</td> <td>334.50</td> </tr> <tr> <td>Tech</td> <td></td> <td>\$ 3,445.00</td> </tr> </tbody> </table>		Account Type	Account Number	Deposit Amount	Checking	152999999	\$ 3,103.00	FRA	834999999	334.50	Tech		\$ 3,445.00
Account Type	Account Number	Deposit Amount													
Checking	152999999	\$ 3,103.00													
FRA	834999999	334.50													
Tech		\$ 3,445.00													
NON-NEGOTIABLE															

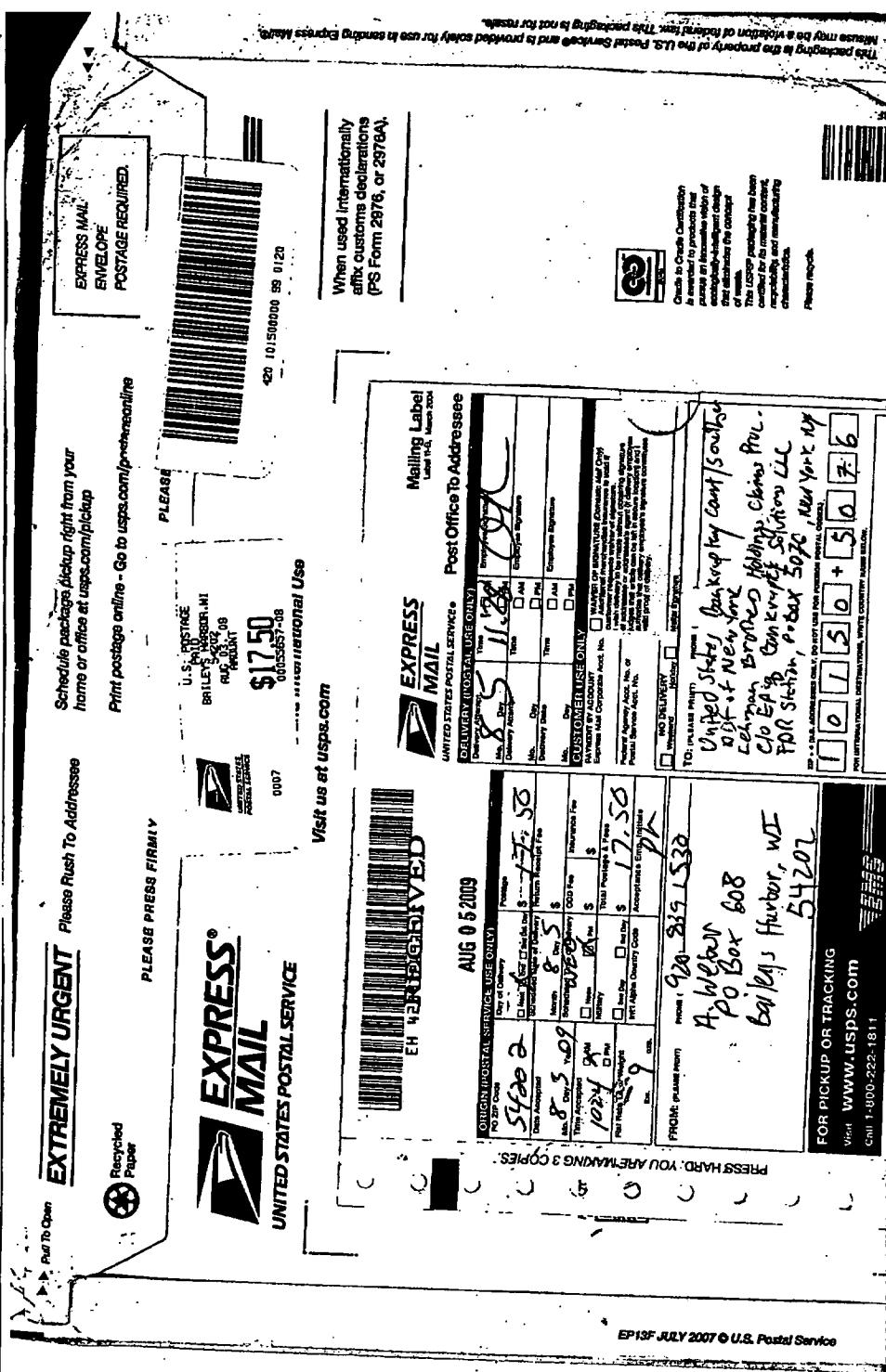


EXHIBIT 3
(Response and Cross Motion of Schreiber and Weber)

August 9, 2012

LEHMAN BROTHERS

June 14, 2007

Andrew Weber
C/o Lehman Brothers
745, Seventh Avenue
New York, NY10019

Dear Andrew:

This letter and its enclosures outline the terms of your international assignment in London. Details of the terms of your assignment may be found in the "Package Details" insert and in the Foreign Assignment Handbook, both of which are enclosed for your reference. All terms relating to your assignment are strictly confidential and should be discussed only with your management, Lehman Brothers Human Resources and immediate family members.

Secondment

Lehman Brothers Inc., your US employer, is assigning you to Lehman Brothers Global Services Ltd. for international service. During this period, you will be employed by Lehman Brothers Global Services Ltd. (LBGSL) and you will be seconded to Lehman Brothers Limited. Your employment while on this assignment will be subject to New York State law (without reference to principles of conflicts of laws).

Assignment Term

Your assignment will commence on a date to be advised – but not earlier than the date on which you receive authorization from the immigration authorities to work in the UK. It is presently anticipated that your initial assignment will be for a three-year period. The length of the initial assignment is, however, subject to change at any time.

Should you remain on assignment through the end of three years, your expatriate status will be reviewed at that time. An Expatriate Transition Program (ETP) is presently in place for secondees remaining in the UK longer than three years. This program provides for a period of up to two years of expatriate-style benefits and allowances at a gradually reducing level.

Compensation

Your base salary and any bonuses will be paid to you in US dollars and administered via a New York payroll. Salary payments will be made monthly. You will also remain a participant in the Firm's Stock Award Program while on assignment. Under this program, a portion of your total compensation will be delivered in the form of Contingent Stock Awards (CSAs). CSAs are awarded to the Firm's employees working outside the US and are designed to parallel many key aspects of Restricted Stock Units for US employees. It is important that you clearly understand the terms of these awards as outlined in the CSA letter and brochure that you will receive for any award made under this program.

Expatriate Benefits/Allowances

You will receive expatriate benefits/allowances as outlined in the Foreign Assignment Handbook and specified in the enclosed "Package Details" insert.

Mr. Andrew Weber
June 14, 2007
Page 2

Relocation Benefits

The Firm has designed a relocation policy to encompass the major cost items associated with an international move. Details of your relocation benefits can be found in the Foreign Assignment Handbook.

Employee Benefits

During your initial assignment, you will generally remain eligible to participate in any of the US benefit plans in which you are currently participating. Please note that for tax or other reasons certain restrictions may apply. These restrictions are explained in the Foreign Assignment Handbook. Any changes to the enrollment periods or to the US benefit plans will be announced and made available to you while you are in London.

Offsets Against Compensation

The Firm reserves the right to withhold any amounts payable to you as compensation or otherwise and apply such withheld amounts to satisfy any indebtedness to the Firm to the maximum extent permitted by law. If any debt exists at the time of your termination of employment from the Firm, the Firm will have the right, to the maximum extent permitted by law, to recover such amount by offset against any amount otherwise awarded, credited or owing to you, including but not limited to amounts awarded to you under the Firm's Stock Award Program. By your signature below, you hereby authorize and consent to the aforementioned deductions.

The Firm reserves the right to make changes to the terms set forth in this letter and its enclosures, to its Foreign Assignment Handbook, and to its general international assignment policies and practices at any time. Neither this letter nor its enclosures is a contract of employment and does not give you any right to continued employment. Either you or the Firm may terminate your employment at any time.

If you have any questions regarding any of the material outlined, please contact me on (212) 320-7058, heather.rychener@lehman.com.

Sincerely,

Heather Rychener

Heather Rychener
Vice President
International Human Resources

I acknowledge receipt of the enclosed Foreign Assignment Handbook and understand the terms and conditions relating to my initial international assignment to London, which are explained in this letter and the Handbook. I am aware that all of these terms and conditions are subject to change.

Andrew Weber
Andrew Weber

6 July 2007
Date

EXHIBIT 4
(Response and Cross Motion of Schreiber and Weber)

August 9, 2012

LEHMAN BROTHERS

FOREIGN ASSIGNMENT HANDBOOK
For EAP Expatriates

United Kingdom



May 2000

Dear Colleague,

Congratulations on your upcoming international assignment to London.

We are pleased that you will be joining our Foreign Assignment Program. Lehman Brothers believes that these assignments are an integral part of your career at the Firm. We encourage you to be excited about the many professional and personal rewards that can arise from living and working abroad.

In order to make your international relocation as easy and efficient as possible, we have compiled this Handbook for your use. It is designed as an easy reference guide for you during all stages of your assignment: preparation, execution and repatriation. We believe it covers what we have found to be the main issues for assignees and their families.

To ensure accurate information, questions or items not specifically addressed by the Handbook should be directed to the International Human Resources department. As always, the Firm reserves the right to make changes to its Foreign Assignment Policy at any time. Assignees will be duly notified and this Handbook will be updated from time to time.

Please review the Handbook carefully to familiarize yourself with its content. You should feel free to raise any questions you may have with a representative of International HR.

We appreciate that many employees do not have prior experience moving internationally. In International Human Resources, we have an excellent team adept at the intricate process of relocating, living and working internationally. We look forward to working with you to facilitate a smooth and successful relocation for you and your family.

Sincerely,

Mark Gross
Senior Vice President
Manager, International Human Resources

Introducing International Human Resources

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Introducing International Human Resources

The International Human Resources group (International HR) will facilitate your move and be available to assist you with compensation, benefits and general human resource issues while you are on assignment. The group is headquartered in New York, but has on-site representatives (within the Human Resources department) in each Lehman Brothers region. A list of individuals, their locations and contact details is provided as an insert to this Handbook.

Prior to your move, an orientation meeting will be scheduled to allow you (and your spouse or domestic partner) the opportunity to discuss all aspects of your move and your international assignment. The meeting is important, as it gives you a chance to clarify move details, establish banking arrangements and discuss the tax implications of a move overseas. When you arrive in London, a similar orientation session will be held with a local HR representative and a representative of Lehman Brothers' designated accounting firm.

Required Approval

The details outlined in this Handbook will apply to all assignees chosen to move to an overseas location. At a minimum, all assignments must be approved in writing by:

- Divisional CAO; and
- Host Region Head/CAO.

This Handbook does not apply to:

- employees who are permanently relocated from one country to another country;
- employees who are currently located in the United States on a developmental assignment or training exercise and are returning to their Home Countries;
- employees who are on short-term (six months or less) business trips; or
- foreign nationals hired as local employees.

This Handbook supersedes the "Lehman Brothers U.S. Expatriate Policy Manual" (1/90) as of January 1998.

When Transferee and Spouse or Domestic Partner are Both Expatriates

The Choice \$ allowance and relocation benefits provided by the Firm are based on the assumption that only the employee/assignee is on an international assignment and receiving these types of benefits. In the event that both the employee and spouse or domestic partner are on international assignment with different companies, and the spouse or domestic partner is also receiving international allowances/reimbursements, combined benefits will be coordinated with the other company. If both employees are assignees with Lehman Brothers, then the allowances/reimbursements will be based on those applicable to a married couple, not 2 single assignees or 2 married assignees.

Glossary of Terms

It is important that you clearly understand the meaning of terms and phrases commonly used throughout this Handbook.

Accompanying family member	An immediate family member, currently residing in your household, who is financially dependent on you and will be residing with you in London (including domestic partners, as defined below).
Assignee	An employee of the Firm who is transferred to an international work location at the Firm's request.
CHOICE\$	A cash payment designed to defray the material difference in living expenses you will face in London. Designed to be spent according to your personal preference, it considers the incremental costs of purchasing goods and services, renting residential accommodations, paying for basic utility services (e.g., electricity, gas and water) and visiting family and friends in the US annually.
Dilapidations	Charge for property damages levied in London by lessors of residential properties, on their lessees.
Dilapidations accrual	A maximum Firm contribution towards dilapidation charges levied on your leased property according to the Firm's definition of reasonable wear and tear.
Domestic Partner	Any person who has a currently registered domestic partnership with a governmental body pursuant to state or local law authorizing such registration. In the absence of a formal registration, you can register your domestic partnership by filing an affidavit with the Lehman Brothers Benefits Service Center. For a copy of the affidavit, please call the Benefits Service Center at 4-2363 (201-524-2363).
Foreign assignment term	The Firm-denominated duration of your overseas work assignment. The typical Foreign Assignment term initially anticipated by the Firm is three years in London. The Firm will provide you with a Foreign Assignment Package for the period that the initial assignment actually lasts, but not longer than three years in London.
Home country	You are considered a foreign assignee based from this location, and your package is designed accordingly. In almost all instances, assignees using this Handbook will have the United States as their home country. Your Home Country is the location of the office you worked in immediately prior to your overseas assignment and/or plan to return to after your assignment, unless you are advised otherwise by International HR.
Host country/location/destination	Where you will be working and residing for the duration of your foreign assignment (London, UK).
Hypothetical tax	Notional tax rate charged by the Firm to assignees on their Total Compensation (TC). For US-based assignees, it is designed to approximate the individual's US, state and city tax liability on this income had he/she been working in New York. In return, the Firm pays the individual's actual tax liabilities relating to TC as well as both foreign and US tax liabilities relating to assignment benefits.

Glossary of Terms

Monthly Carrying Costs

Vacancy Assistance

(a) Mortgage interest; (b) property taxes, common charges or co-op maintenance fees; (c) utilities.

Shortfall Reimbursement

(a) Mortgage interest; (b) property taxes, common charges or co-op maintenance fees.

Per diem

A daily cash allowance for expenses, made in lieu of reimbursement of actual expenses.

Primary Residence

Your main home (according to the tax code) that you have resided in during the last year, excluding vacation/investment properties.

Replacement value

The cost of replacing a damaged good with one of "like kind and quality" in the location where the good is lost or damaged.

Tax equalization

A system of withholding and payments for the Firm's foreign assignees designed to ensure that the individual receives neither significant economic gain nor loss due to differentials in income tax and social tax rates between home and host countries. Assignees continue to be subject to home country tax rates on their Total Compensation and are provided with relocation and foreign assignee benefits net of tax.

Total compensation

Base salary, bonus, and commissions (as applicable) paid by the Firm. May sometimes include other cash payments that are typical and customary for local employees in the home location.

Visas and Immigration

1. Official permission to work in your host country is essential.

Who Needs a Visa / Work Permit?

A majority of countries worldwide require individuals who are not citizens to obtain special work permits and/or visas to be eligible to work and reside within the country. This is a legal requirement and non-compliance can have severe consequences both for the individuals and the Firm. Of course, all individuals and family members intending to transfer will need a current passport valid for at least six months after the date of transfer.

While the Firm is willing to offer relocation assistance to qualified domestic partners, many countries will not provide dependent visas to these individuals, and your partner may need to obtain their own visa. Please consult with International HR immediately to address this potential issue.

2. Begin working with International HR immediately.

Timing

It is the responsibility of the assignee to work with the home and host country offices to ensure that all necessary passports, visas, work permits, etc., are obtained prior to departure. The procedure to obtain the necessary documents can take up to three months – the timing depends on the local immigration authorities and is beyond the Firm's control.

Procedure

For assistance in applying for the required official documents, please contact International HR as soon as you accept an international assignment. International HR will provide you with a comprehensive list of information required from you – tailored for your intended host country, family situation and specific citizenship requirements. You will be asked to complete several application forms and supply various documents (for example, copies of college degrees/diplomas and your marriage certificate and child's birth certificate as applicable).

Please forward all information to International Human Resources for submission to the appropriate immigration authorities.

Cost

The cost of obtaining the required visas/work permits for you and any accompanying family members will be paid for or reimbursed by the Firm.

Relocation

1. You should involve International HR in all facets of your move to guarantee reimbursement under the policy.

Who Will Move You?

International HR will facilitate moving you, your family members and your personal belongings to London. The group works with several carefully selected vendors to coordinate all aspects of your move – including furniture shipment, temporary accommodations, home finding assistance, school placement and cross-cultural training.

We ask that you refrain from making relocation arrangements independent of your relocation counselor. The Firm has service contracts with several preferred providers which allow it to manage costs and monitor the quality of the services received by employees. Alternative arrangements can jeopardize the Firm's relationship with its preferred providers. In addition, alternative arrangements are not ordinarily eligible for reimbursement under the Firm's policy.

2. Properly document expenses and submit original receipts in a timely manner to ensure reimbursement.

Reimbursement Procedures

The tax ramifications of relocation expense reimbursement necessitate careful documentation on your part. International HR will provide you with expense claim forms which need to be completed and returned with *original receipts* to the group for processing. You should always keep a copy of documents submitted.

The Firm will not reimburse:

- any claims without accompanying receipts;
- claims submitted more than six months after your move.

3. Any tax incurred on relocation items covered by policy is the Firm's responsibility.

Any taxes incurred on approved relocation expenses, reimbursements or payments will be borne by the Firm, unless otherwise specified.

Relocation

1. Cross-Cultural Program

Cross Cultural Training

The Firm recognizes that cross-cultural awareness is important for employees and their families to live and work successfully in a foreign environment. Therefore, the Firm will organize and sponsor a one-day cross-cultural training program for you and your accompanying family members. The program is conducted off-site by a recognized consulting firm and attendance can be coordinated via International HR.

2. Loss on sale of car is provided.

Auto Sale / Auto Lease Break

The Firm will protect you against the loss incurred on the sale of your personal automobile(s) or your car lease break expense according to the following schedule:

Family Size 1: 1 car, up to a maximum loss of \$5,000

Family Size 2+: 2 cars, up to a maximum loss of \$10,000

For sale, loss is determined as the lesser of (1) the difference between the current retail value and actual sales price of the automobile; or (2) the difference between the current retail and wholesale values of the automobile. Values are established by reference to N.A.D.A.'s "Official Used Car Guide" or equivalent. To obtain reimbursement, you must submit to International HR a complete description of the automobile and accessories, proof of ownership and proof of sale including proof of sale price.

For lease break, there are often several options available; you should consult with International Human Resources to determine which option is the most cost effective.

Note: Should you elect to lease or purchase an automobile while on assignment, loss on sale/lease break is not provided upon repatriation or consecutive relocation.

This benefit does not apply to specialty or hobby automobiles.

3. Preview trip provided for employee and spouse or domestic partner.

Preview Trip

To assist you in settling in to your new location, the Firm will provide you (and your spouse or domestic partner) with a preview trip of up to seven days, including travel time. During your stay you will be provided with home search assistance to aid you in finding permanent accommodations in London. You will be accompanied to view homes that suit your personal preferences and your budget. You may also be provided with advice on school placements and other matters of local orientation where necessary.

For your trip you will be provided with reimbursement for transportation (airfare and taxis to and from airports) and hotel accommodation in accordance with the Firm's travel policy. All other expenses will be offset by a daily per diem available to you and your spouse or domestic partner. Your daily allowance will be \$110 per person. The allowance will be paid upon receipt of a copy of your hotel bill – no T&E claim forms or other forms of paperwork are required.

As the Firm does not provide for children to accompany you on your preview trip, an allowance of \$500 for the first minor child and \$250 for each additional minor child, up to a maximum of \$1000, will be provided to offset the cost of childcare while you and your spouse or domestic partner are visiting your host location, or to offset your child's travel expenses if you would prefer.

Relocation

1. The Firm will reimburse up to two months' rent for lease cancellation.

Renters: Lease Cancellation

To minimize the cost of lease cancellation for your primary residence, the Firm relies on you to negotiate with your landlord. In the event costs are incurred, the Firm will reimburse up to a maximum of two months' rent for items such as attorney's fees, cancellation penalties and forfeited security deposit. Please forward to International HR a receipt for payment from either your landlord or managing agent, as well as a copy of your lease agreement.

2. Current homeowners are entitled to property management services.

Homeowners: Property Management

To assist you in renting your primary residence, the Firm will arrange for property management with an experienced management company for the duration of your foreign assignment term. Property management assistance generally consists of: coordination of property inspections, determination of market rental value, coordination of rental with local real estate agent to find suitable tenants, negotiation of lease terms, collection of rent and bill payments (mortgage, taxes, etc.) and oversight of general maintenance and repairs.

Note that the Firm will not reimburse any expenses associated with the sale of a home which has been entered in the property management program.

3. Shortfall and vacancy assistance are provided as part of property management.

As part of the property management service, the Firm will also cover vacancy and/or shortfall fees as described below:

— Vacancy Assistance

If the property management agent cannot rent your residence upon your departure or, for a period during your foreign assignment term, the Firm will reimburse you the monthly carrying costs (see glossary) for up to three months per year while the property is vacant, subject to a maximum of \$10,000 over the assignment period. Note that any gain on rental (calculated similarly to shortfall) will be applied against the vacancy assistance benefit.

— Shortfall Reimbursement

If your monthly rental income from your primary residence is less than your monthly carrying costs (see glossary), the Firm will reimburse the monthly shortfall for the duration of your foreign assignment term. Shortfall reimbursement is contingent upon your residence being rented at its fair market value as determined by the Firm's property management agent.

Accommodation can be made for owners of cooperative apartments who are restricted in terms of the length of approved rental period.

Relocation

4. The purchase of a home in the host location is strongly discouraged.

Home Sale/Purchase

The Firm does not provide assistance for homeowners wishing to sell their primary residences, nor does it reimburse loss on home sale under any circumstances. However, if you wish to sell your property you may access the three month vacancy benefit for residences vacant for up to three months immediately following your assignment start date and/or be reimbursed for closing costs on the sale of your primary residence – *provided that your home has not been entered into the Firm's property management program*. For reimbursement purposes, closing costs include brokerage fees, mortgage prepayment penalty and forwarding fees, legal fees, transfer taxes, and title and recording fees; expenses that will not be reimbursed include, but are not limited to, buyer's closing costs, mortgage interest, maintenance, real estate or other taxes, insurance, escrow items, or association dues. The total of all reimbursements is subject to a maximum of \$10,000. Upon your repatriation, no further assistance with respect to home purchase is provided.

The purchase of a residence in London is strongly discouraged and will result in the loss of any Firm housing subsidy. Further, no assistance will be provided to assignees who purchase a residence while on assignment. Any loss resulting from the sale of a residence will be borne by the employee.

Relocation

1. The Firm provides a sea shipment of goods.

Shipment of Personal Belongings and Household Goods

The Firm will provide you with the services of a company specializing in international moves to pack your goods and coordinate your shipment. You will need to provide an inventory of goods prior to your move date, which should be scheduled as close as possible to the date you will be leaving the US. Remember when planning your move that goods cannot be delivered through customs at your destination until you have the appropriate visas and immigration documents authorizing you to reside in the UK.

Your shipment allowance is as follows:

Air shipment:	Families with Children: Up to 500 lbs.
Sea shipment:	Family Size 1 or 2: Up to a maximum capacity of 20 ft. container (approx. 7,000 lbs.)
	Family Size 3+: Up to a maximum capacity of 40 ft. container (approx. 14,000 lbs.)

The air shipment is designed for families with young children to ship toys, cribs, changing tables, etc. Average transit time is 7-10 days, so you will need to pack accordingly. The Firm authorizes re-delivery of these goods from your temporary to permanent accommodations.

The sea shipment will take approximately 30 days to reach your destination and clear customs. For safety and security reasons, the Firm places some restrictions on items that you are eligible to ship at its expense: these include, but are not limited to, very expensive items (e.g., jewelry, heirlooms, art and other collections), dangerous or hazardous materials, wine and spirits collections, weapons or ammunitions, and very large items or those requiring special care (e.g., pianos, automobiles and motorcycles, pool tables, safes, boats, pets), as well as goods prohibited by law. The Firm also reserves the right, where appropriate, to ship your goods in the most economical and efficient means available.

2. Storage at home for goods not shipped is provided for the duration of the assignment.

Long-Term Storage at Home

The Firm will provide for long-term storage of most items that you currently own and are not taking with you on assignment. Exceptions include, but are not limited to, automobiles, boats, heirlooms and jewelry, art and other collections, weapons and ammunitions.

3. Insurance is provided on goods shipped or stored by the Firm.

Insurance

The Firm will provide you with insurance coverage for goods that it is shipping or storing on your behalf. Insurance is taken on a replacement value basis. To be eligible for this benefit, you must comply with the requirements, restrictions and exclusions imposed by the current insurance policy. Wine and spirits are not covered by the Firm's Policy. Further information regarding this policy will be provided by International Human Resources.

If you require coverage for items not covered by the Firm's policy, the Firm can help you obtain it through its insurer or contracted moving company. However, you are responsible for any such expense.

Relocation

4. Airfare will be provided for all family members accompanying the employee on assignment.

Travel to Your New Home

You and any accompanying family members will be provided with final move air travel (direct to London) according to the Firm's travel policy. International Human Resources will facilitate making your travel reservations.

Shipment of Pets

The Firm is not responsible for the shipment and kenneling of pets. Assignees may ship pets to the host country, but all related expenses are the responsibility of the employee. There are several reputable organizations whose primary business is shipping pets. Please contact International HR to obtain a list of these organizations.

Split Shipments

The Firm covers only the cost of shipment from the assignee's primary residence to the assignment location. Shipment from or to any other destination (i.e., vacation or secondary homes) will be at the assignee's expense.

New Dependent Shipment

With the increase in family size due to a marriage or the birth of a child, the Firm will provide an additional shipment from the home to the host location, which will be limited to 500 lbs. These goods will be consolidated with the next shipment the Firm has planned to your destination. Please contact International Human Resources to make arrangements.

5. You should obtain personal/renters insurance in the host location.

Personal Property Insurance

The Firm provides insurance coverage for all goods shipped or stored at the Firm's cost. However, once items are unpacked at the host location, they are no longer insured by the Firm. It is important that you obtain insurance coverage in the host location once your household goods and personal effects have been delivered. In addition, insurance coverage is not provided by the Firm for items left at the former residence. Feel free to contact International Human Resources if you need assistance with obtaining the right type of insurance coverage.

Relocation

1. Up to 30 days of accommodations in a corporate apartment is provided in host location.

Temporary Accommodations

If your permanent residence is not available immediately on reaching London, the Firm will provide up to 30 days of temporary living for you and accompanying family members. In most cases, temporary accommodation will be in the form of a corporate apartment. Where none are available, you will be asked to stay in a Firm-approved hotel.

The temporary accommodation benefit covers the cost of room (and applicable taxes) only. Your Choice Dollar allowance (refer to "Your Foreign Assignment Package"), which commences immediately upon your arrival in your host destination, is available to cover all other expenses. Assignees staying in hotel-style accommodations without access to kitchen facilities will be eligible for a "top up" per diem allowance in the amount of \$50 for each adult and \$25 for each child under 12 years in addition to their Choice Dollar allowances.

Prior to your move, the Firm also provides a maximum of two nights in an approved hotel, near your home, for use when your household furniture has been packed.

2. Broker's fees in the host location will be paid by the Firm.

Real Estate Broker's Fee

If it is customary to pay a broker's fee on securing an apartment in your host location, this cost will be paid by the Firm. Payment will be limited to reasonable charges in line with market practice, and assignees should endeavor to work through real estate agents and brokers offering discounted fees to the Firm. A list of these brokers is available from the International Human Resources representative in your area.

3. A tax-free cash allowance is provided to cover incidental expenses not explicitly covered by the Firm's policy.

Relocation Allowance

While the Firm's policy encompasses the major expense items involved with an international move, it is impossible to predict and reimburse all incidental costs that you might face. For this reason you will be provided with a net-of-tax cash relocation allowance immediately prior to your move. This is to offset miscellaneous expenses not otherwise addressed by the Firm's policy. Examples might include: non-refundable membership and application fees, laundry and dry-cleaning expenses while in temporary accommodation, purchase of appliances, currency exchange fees, telephone calls and movers tips. Allowances are set according to family size – the amount you will receive is outlined below and in the "Foreign Assignment Package" attachment to your assignment letter:

Family size of 1-2:	\$5,000
3:	\$7,500
4+:	\$10,000

Payroll And Banking

1. You will be paid in US\$ from the U.S. on or about the 10th of each month.

International Payroll

While on assignment, you will be paid from the International payroll. This US dollar payroll is domiciled and administered out of New York. You will continue to be the employee of a US entity but you will be seconded to your overseas entity. Your costs will be charged to a P&L in your host location.

You will be paid monthly, on or about the 10th of each month. You are paid partially in advance – that is, you are paid on the 10th of each month for the entirety of that calendar month. You will be transferred to International payroll once you are on assignment, with the timing determined to ensure a smooth transition from Domestic, bi-weekly payroll to International, monthly payroll. You cannot be transferred to the International payroll until your work permit/visa has been approved.

Salary Split

For tax planning reasons, your salary will be paid out of two separate US entities while you are on assignment in the UK. The split will be based on an allocation of the days that you work in the UK vs. the days that you work outside the UK. We will use an estimate during the year until the correct allocation is determined at year end.

The portion of your salary earned in the UK will be paid via Lehman Brothers International Services Inc. (LBISI), and will include all foreign allowances and employee benefit deductions. These LBISI funds will be eligible for the Chase Manhattan Banking Program described below.

The portion of your salary earned outside the UK will be paid via Lehman Brothers Overseas Inc. (LBOI). These funds should not be remitted to the UK; any taxes assessed on LBOI funds remitted to the UK will be the responsibility of the employee.

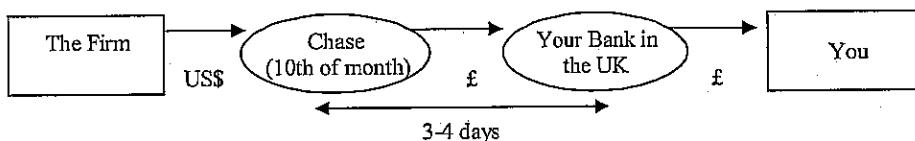
This process is described in more detail on page 23 under the section "What Will My Paycheck Look Like?"

Payroll And Banking

1. Conversion of US\$ salary & allowances to GBP can be done via Chase Manhattan Bank.

Chase Manhattan Banking Program

You are eligible to open a bank account under the International Employee Banking Program offered by Chase Manhattan Bank. Standard administration fees on a no-interest checking account are paid by the Firm – if you choose a more sophisticated vehicle, you are responsible for any additional fees and/or minimum balance requirements. The program is designed to facilitate the transfer of your monthly LBISI compensation and allowances to your host location at an exchange rate consistent with that used to determine your foreign assignment package. To receive the transfer of funds, you must instruct Chase to wire some or all of your funds deposited into your Chase account by the 17th of each month. The Firm will guarantee a floor on your currency exchange (if the spot rate is more advantageous you will get this rate instead). The Firm will pay for one wire transfer per month limited to your net monthly paycheck; transfers not used in one month may not be carried forward for use in a future month. The firm will also pay the fee for Chase to process up to two bill payments per month. The process is demonstrated below:



It is your responsibility to organize any wire transfer of funds between your Chase account and your host country bank account. Chase can accept wire transfer instructions via fax, provided they are signed by you or another designated account beneficiary. You should deal directly with the Firm's account representatives at Chase to coordinate this – many assignees set up standing wire transfer instructions to operate automatically until further notice. Local representatives of International Human Resources will assist you with opening a bank account in London.

Travel & Entertainment Expenses

Expense claims associated with your initial move should be submitted to International HR in New York. All other business expenses throughout your assignment should be submitted via T&E in the host location (unless you have "dual contract" status).

Allowances/Reimbursements

1. Choice \$ allowance defrays the higher cost of living in the UK.

Choice \$ Allowance (CHOICE\$)

The purpose of this payment is to defray the higher cost of living in your host location. It is designed considering the incremental costs of purchasing goods and services, renting residential accommodations, paying for basic utility services and visiting family & friends in the US once a year.

The amount is based on market survey data provided by an international consulting firm, and is determined with reference to base salary and family size. The amount of your allowance is outlined in the "Foreign Assignment Package" attachment to your assignment letter.

This net-of-tax cash allowance is paid monthly in addition to your base salary and is paid in US dollars.

The allowance will be changed/updated annually, usually in March, in response to changes in relative market prices between New York and London, as well as changes in your base salary and family size. The allowance will also be reviewed quarterly and changed/updated when the 15 day average exchange rate, measured at the end of each fiscal quarter, has fluctuated more than 5%. Note that CHOICE\$ may increase or decrease over the course of your assignment depending on the movement of relative prices and currency exchange rates.

2. Reimbursement for education costs for dependent children K-12 are provided.

Reimbursement of Education Costs

Education costs for dependent children in grades K-12 are reimbursed to provide access to the American education curriculum. Actual tuition, registration fees, and bus transport costs up to the cost of the local American school are eligible for reimbursement. Expenses such as music lessons, dance lessons, uniforms, books, lunches, sports activities, boarding or field trips are not eligible for reimbursement.

Limited reimbursement of the incremental cost of nursery school in the host location (over the home location) is also available. The cost of nursery school in excess of the comparable cost in New York is reimbursable for children aged 3+ as follows:

Half Day Program: The Firm reimburses tuition in excess of \$1,500/year.

Full Day Program: The Firm reimburses tuition in excess of \$3,000/year.

Reimbursement is provided upon receipt of required documentation.

Allowances/Reimbursements

3. Housing subsidy is included in your Choice \$ allowance.

Housing

One of the most significant additional costs you will face while on assignment in London is the incremental cost of renting residential accommodations. The portion of your CHOICE\$ allowance that you allocate to this expense will be according to your personal priorities – however, there are two important points that you should consider when determining your housing budget:

1. In determining your CHOICE\$ allowance, we considered only the incremental cost of rental in London when compared with typical costs in the New York area. The allowance is not intended to cover assignees for full accommodation costs. Therefore, you should consider your housing budget as consisting of:
 - any allocation you make from CHOICE\$; **PLUS**
 - your current housing expenditure in New York (or an amount that represents your contribution for housing).
2. Many assignees choose to live in Central London. The nature and cost of residential accommodations in this area are more closely in line with the Upper East Side of Manhattan than outer-borough or other tri-state location. Expectations and budgets should be set accordingly.

4. The firm will obtain a lease on your behalf and pay the rent. The rent cost will be converted to \$ and deducted from your pay.

Lease Administration

To assist you in securing your property of choice in London's active rental market, the Firm will underwrite a lease on your behalf. The Firm will pay rent directly to your landlord and will deduct a rent expense from your monthly compensation. Your lease denominated in Pounds Sterling will be converted to a US dollar payroll deduction at the currency exchange rate on which your CHOICE\$ allowance is based. If your monthly rental cost is in excess of your monthly cash flow, you will be required to reimburse the Firm for your rent expense via check.

The Firm lease covers only the mechanics of securing a lease and making periodic lease payments – the Firm will not be responsible for security deposits, other expenses, renovations, or damages associated with the residence except as described below.

5. You will be responsible for dilapidation costs above your allocated accrual for such expenses.

Dilapidations

At the conclusion of your residency in your Firm-leased property, your landlord may make a dilapidations claim. This claim will be verified by an external vendor appointed by the Firm. The Firm agrees to fund your dilapidations claim up to a maximum limit, known as your dilapidations accrual. Your dilapidations accrual is specified in your assignment letter, and may be periodically increased during your tenancy (you will be notified if this happens). Any claim in excess of your dilapidations accrual will be paid by the Firm but re-invoiced to you for your account (refer to page 20 under "Offsets against Bonus" for additional information).

Taxation

1. You will be Tax Equalized while on assignment.

Tax Equalization

While on assignment, you will be subject to the Firm's Tax Equalization Policy. This policy is designed to:

- insulate you from material tax differentials between the US and the UK; and
- ensure that you do not bear the tax liability on your relocation and expatriate benefits, allowances and reimbursements. These are delivered tax free to you.

2. Tax equalization eliminates any material advantage or disadvantage due to tax differentials between the UK and the U.S.

While on assignment, you pay hypothetical tax on your Lehman Brothers compensation. In exchange, the Firm pays the actual tax liability on your Total Compensation plus expatriate benefits in accordance with the Firm's Tax Equalization Policy. Estimated hypothetical tax is deducted from your compensation in lieu of actual withholding. You continue to be responsible for any tax liabilities arising from your personal income.

3. Hypothetical taxes will be withheld from your pay.

Adjustments will be made to your hypothetical tax due to changes in total compensation, marital status, family size and tax legislation in the US (including New York State and City). This same arrangement applies to any bonus payments you may receive while on assignment.

4. A tax equalization settlement is calculated annually to reconcile all hypothetical and actual tax payments made during the year.

Upon completion of your tax returns, there is a reconciliation between you and the Firm. A final hypothetical tax liability is calculated on your Total Compensation and is compared to the hypothetical tax withheld from you during the year. Any excess withholding will be refunded to you, while a shortfall in hypothetical tax withholding will result in money owed to the Firm.

5. Tax loans made by the Firm on your behalf must be repaid if they are in excess of your actual tax liability.

Tax Loans

From time to time, the Firm may make payments to the tax authorities on your behalf. These payments are considered tax loans and are based on estimates of your tax liabilities both in the US and in London. These tax loans are repayable to the Firm if they are made in excess of your final tax liability on equalized income.

6. Foreign tax credits for taxes paid by the Firm accrue to the Firm.

Foreign Tax Credits

The benefit of foreign tax credits, for foreign taxes paid/reimbursed by the Firm under the tax equalization program, accrues to the Firm. The utilization by the assignee of these foreign tax credits to reduce his/her personal tax liability on pre-assignment income, on income earned prior to joining the Firm, and/or on outside personal income, including spousal income, will result in an amount due the Firm for the amount of the credits used.

Taxation

**7. While eligible for a
Certificate of
Coverage, you will
remain in the US
social security
system.**

**8. The Firm will
engage a prominent
accounting firm to
assist you in
completing your US
and UK tax returns.**

Certificate of Coverage

Provided that the Firm is able to obtain a Certificate of Coverage on your behalf from the foreign tax authority, you will continue to pay FICA contributions rather than contributing to the comparable social security system in the United Kingdom. Where you are not eligible for a certificate, or your certificate expires during your assignment period, you will contribute instead to UK National Insurance, which will be withheld in lieu of US FICA.

Tax Preparation Assistance

During your foreign assignment term, and in most cases for at least one year thereafter, the Firm will engage a designated accounting Firm to prepare your US and UK tax returns. The tax preparation fees are paid by the Firm. However, please note that services such as personal financial planning, estate planning, etc., are not covered by the Firm's tax preparation arrangement.

All employees are expected to file their tax returns in a timely manner while they are on assignment. You are obligated to cooperate with the Firm's accountants and to promptly provide all requested information, forms, and signatures.

Employee Benefits While on Assignment

1. Certain tax deferred savings arrangements (with the exception of the Tax Deferred Savings Plan) are not available to you in the UK.

2. Flexible Spending Accounts (FSAs) for health care will remain tax effective for you in the US. However, FSAs relating to childcare will no longer be tax effective if your childcare provider does not have a US taxpayer ID.

While seconded by the US entity to the London office, you will remain eligible to participate in all of the following US benefit plans subject to their eligibility provisions and other terms:

Medical Plan
Dental Assistance Plan
Vision Care Plan*
Life Insurance
Disability Insurance
Flexible Spending Accounts
Employee Stock Purchase Plan
Tax Deferred Savings Plan
Retirement Plan

Any changes to enrollment periods or to the US benefit plans listed will be announced and made available to you during your assignment.

During your assignment, we strongly recommend that you elect the Major Medical option for medical coverage. The plan will give you the flexibility to see any doctor anywhere in the world and receive reimbursement (subject to the rules of the plan). Also, the Major Medical provides for the services of a special International division that is designed to address the special needs of employees working abroad. Detailed information will be provided by International Human Resources.

* Note that this is a network plan. You may visit in-network practitioners during return trips to the US – however, you will have only “out-of-network” coverage available for use in London.

Bonuses Paid During Assignment

1. Bonuses are determined and paid in US\$.

Determination of Bonus

All bonuses paid by the Firm are initially determined in US dollar terms. The bonus determination process is standardized on a global basis.

As you receive your monthly compensation in US dollars, your bonus will also be paid to you in US dollars. The bonus payment dates for Lehman locations globally usually fall within a two-week period in January.

2. In lieu of RSUs (Restricted Stock Units) you will receive CSAs (Contingent Stock Awards).

Payment of Bonus/Stock Award Program

You will remain a participant in the Firm's Stock Award Program while on assignment. Under this program, a portion of your total compensation may be delivered in the form of Contingent Stock Awards (CSAs). CSAs are awarded to the Firm's employees working outside the US and are designed to parallel many key aspects of Restricted Stock Units for US employees. It is important that you clearly understand the terms of these awards as outlined in the CSA letter and brochure that you will receive for any award made under this program.

Awards that convert to shares of Lehman Brothers stock (whether granted prior to or during your foreign assignment) while you are covered by the Firm's expatriate policy will be tax equalized in accordance with the terms of the policy.

3. Although bonuses are paid in US\$, you may wire transfer a portion of the bonus at a fixed exchange rate to your bank account in the host location.

Exchange of Bonus into Your Host Country Currency

The Firm guarantees a fixed "Bonus Exchange Rate" which applies to a maximum dollar limit of your LBISI cash bonus, provided you transfer the amount via the Chase banking program. The maximum dollar limit is set by the Firm each year. You will be notified of the maximum in advance of the bonus payment date. The guaranteed rate is not the same foreign exchange rate used to convert your monthly salary, rather it is an average daily rate calculated for the Firm's fiscal year and is the same rate used to convert the US dollar bonuses of your local peers in London into Pounds Sterling. It is usually an average daily exchange rate, and operates as a floor rate on your bonus transfer subject to the maximum amount. Since the rate operates as a "floor" you will receive the spot rate on your transfer if it is preferential. There is no restriction on the amount of bonus that you may transfer to your host location – however, any amount in excess of the maximum dollar limit will be converted at the prevailing spot rate.

4. Bonuses are subject to hypothetical tax withholding.

Taxation of Bonus

Bonuses paid during or in connection with your foreign assignment will be tax equalized, and are therefore paid net of hypothetical tax withholding during a complete assignment year. The calculation of hypothetical tax due on bonus payments considers the tax withheld on a year-to-date basis, an estimate of total Firm-paid compensation for the year and any applicable deductions.

During your year of transfer, actual US taxes will be levied on that portion of your bonus relating to a pre-assignment period; hypothetical tax will be levied on the remainder. For your return year, actual US tax will be withheld as if you were working in the US for the entire year, but hypothetical tax may be withheld where the Firm is due credits for exclusions and/or accumulated foreign tax credits resulting from your assignment period. For the purposes of your actual tax returns in both the US and the UK, the accountant engaged by the Firm as your tax preparer will determine all positions to be taken with regard to taxability of a bonus.

Bonuses Paid During Assignment

5. The Firm reserves the right to deduct funds owed to the Firm from your bonus. You will be notified in advance of any such deduction.

Offsets against Bonus

In some circumstances, tax equalization loans that have been outstanding for a considerable time period will be automatically charged as an advance against your following year bonus or CSAs. You will receive written notification if this situation should arise. Prompt settlement of tax monies owing to the Firm will ensure that this situation is avoided.

In addition, you are required to reimburse the Firm for any dilapidations claims in excess of your dilapidations accrual. Amounts outstanding for more than 60 days from the date of invoice will automatically be regarded and booked as an advance against your next bonus or CSAs.

Other

1. The duration of an international assignment, with full allowances, is 3 years.

2. At the end of your assignment, you may be entitled to repatriation services.

Career Planning & Review

Your assignment in London is initially anticipated to last for three years unless you have been otherwise advised by International HR. You should meet regularly with your manager over this time to discuss future opportunities and career moves.

If, at the conclusion of your initial assignment, it is determined that your career path lies in the host location, you will become part of the Expatriate Transition Program (ETP). This program is designed to shift assignees from a full foreign assignment package to a local compensation package to maintain greater alignment between long-term work peers. The ETP provides for a fully tax-equalized, two-year gradual phase-out of foreign assignment allowances and benefits.

Repatriation/Separation/Termination

You will receive repatriation assistance from the Firm when returning to resume your career at Lehman Brothers in New York. The details of this assistance will be explained to you during your orientation meeting with International Human Resources. In addition, if you leave the Firm involuntarily during your assignment, the Firm will ordinarily repatriate you and your accompanying family members to the US. Repatriation will include shipment of your household goods and personal belongings, and return airfare (details would be set out in a separation agreement).

However, if you leave the Firm voluntarily, the Firm will not assume responsibility for repatriation or any expenses you incur associated with your move from your host location. In this situation, you and your accompanying family members will be provided with an economy class one-way airfare to return if required by local immigration law.

Additionally, should you voluntarily leave the Firm within the first six months of your transfer, you will be required to repay the Firm for all or part of those relocation expenses paid to you or on your behalf. Remittance is required according to the following schedule:

<u>Termination</u>	<u>Amount to be Repaid</u>
Within 1 st month	6/6 of total
Within 2 nd month	5/6 of total
Within 3 rd month	2/3 of total
Within 4 th month	1/2 of total
Within 5 th month	1/3 of total
Within 6 th month	1/6 of total

Other

3. Emergency leave is provided in cases of serious illness or death of immediate family members.

Emergency Leave

Provisions exist within the Firm's policy surrounding foreign assignments to provide for paid leave and airfare in the unfortunate case of serious illness or death in your immediate family. Please discuss your requirements with International HR as soon as practicable should this situation arise.

Dependent Visits

When dependent children attend school in the home country, the Firm will reimburse the cost of 2 round trips (economy airfare) per child, per year to visit parents in the host country. Only trips to the host country will be reimbursed.

If you are divorced and your children live with their other parent in the home country, we will also reimburse you for the cost of two round trips (economy airfare) for your children to visit you in London.

Dependent visits require proper authorization and should be arranged directly through International Human Resources.

What Will My Paycheck Look Like?

As described on page 12, for tax reasons, your compensation will be classified as LBISI or LBOI and subject to different treatment accordingly. The differences are outlined in the following table:

		LBISI Compensation	LBOI Compensation
CONTENT	Salary	Portion of annual salary based on anticipated % of work days spent within the UK	Portion of annual salary based on anticipated % of work days spent outside the UK
	<i>less Tax</i>	Hypotax relating to LBISI salary	Hypotax relating to LBOI salary
	<i>plus Allowances</i>	CHOICE\$ Allowance	Not Applicable
	<i>less Deductions / Contributions for employee benefits (e.g., medical, dental, 401k, ESPP)</i>	According to employee election	Not Applicable
PAYMENT		Via Chase Manhattan Banking Program	Via Lehman Brothers, Fidelity or FRA brokerage account or other account
RESTRICTIONS		None	Should not be remitted to the UK

At the outset of your assignment, you will be asked to nominate the percentage of your work year that you anticipate spending outside the UK. The most common splits for LBISI and LBOI respectively are: 95% and 5% or 90% and 10%. Your split may change over the course of your assignment due to material changes in the travel required by your position with the Firm.

The ultimate aim of the program is to allocate your Total Compensation over a tax year period to reflect your actual split of days worked in the UK and days worked outside the UK. Therefore, you will be required to keep a calendar of your work days and you will be asked to submit this calendar to the International Human Resources representative in London at year-end. We will use your cash bonus payment as the mechanism to adjust for discrepancies between anticipated and actual foreign work day allocation, such that your Total Compensation is correctly apportioned.

What Will My Paycheck Look Like?

Shown below is a sample expatriate paycheck, outlining typical expatriate allowances and deductions.

Lehman Brothers Inc. Payroll Department 101 Hudson Street - 38th Fl Jersey City NJ 07302-3988		Pay Group: MEX - Monthly Expatriate Pay Begin Date: 9/1/1999 Pay End Date: 9/30/1999	Business Unit: FID Check #: 123630 Check Date: 9/10/99																																																																																																																																																																																																																																																																																																																																															
John Expat 456 Main Street Flat 4b London UK 2DG 7LA Employee ID: AOK00002 Department: 22207- Location: One Broadgate Job Title: Salesperson Pay Rate: \$65,000.00 Annual SSN: 621-89-2222		TAX DATA: Marital Status: Married Allowances: 999 Addl. Pct.: 99 Addl. Amt:																																																																																																																																																																																																																																																																																																																																																
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Pre-Departure Checklist

<u>ITEM</u>	<u>COMPLETED</u>
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EXPATRIATE COMPENSATION AND ALLOWANCE PACKAGE

- Make appointment with International Human Resources Representative to conduct orientation meeting, obtain Foreign Assignment Handbook and sign assignment letter and tax documents when meeting has been completed.
- Make appointment with tax accountant for tax counseling session (in host location).

PREVIEW TRIP

- Meet with International Human Resources Representative in foreign location for orientation.
- Determine local housing preferences and options.
- Identify appropriate schools (for assignees with dependents K-12).
- Identify and secure permanent housing accommodations.
- Familiarize yourself with the locations of stores, doctors, hospitals, police, local transportation, etc.

TRAVEL ARRANGEMENTS/PASSPORT/VISAS

- Check expiration dates of passports for yourself and family members, and arrange for new passports or renewals as necessary.
- Take extra passport photographs with you for use on local foreign documents.
- Determine with the International Human Resources Representative if a work permit is required before entry into the foreign country.
- If you are a resident alien in the U.S., ask the International Human Resources Representative to obtain for you a re-entry permit and an application to preserve status prior to your departure.
- Make travel arrangements for flight to foreign location. Arrange through Amex Travel only. Contact International Human Resources to obtain approval for direct billing to Firm.
- Take with you an amount of foreign currency for transportation from airport, porters, tips, and for incidentals upon arrival.
- Register foreign-made dutiable items with U.S. customs so duty will not be assessed upon re-entry (e.g. cameras).

Pre-Departure Checklist

<u>ITEM</u>	<u>COMPLETED</u>
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MEDICAL

- Check with private physician or foreign consulate office to see whether or not certain inoculations and/or an International Health Card are required. _____
- Make an appointment with private physician and dentist for a physical examination and checkup for yourself and each family member. _____
- Obtain copies of your medical and dental records to take with you. _____
- Plan to take extra quantities of your medicines, extra pair of eyeglasses or contact lenses, etc. Also copies of your prescriptions for drugs or eyeglasses. _____

DISPOSITION/RETENTION OF RESIDENCE

- Arrange for discussion with International Human Resources Representative about company policies concerning retention or disposition of your residence or breaking a lease if you rent (can be done during orientation). _____
- Notify landlord of your move and arrange for a lease-breaking agreement. _____
- Return all keys and remember to leave the apartment in acceptably clean condition. _____
- Arrange for final telephone and utility bills to be sent to you if you are currently renting or will be leasing out your residence. _____

SHIPPING AND STORAGE

- Arrange for shipment, storage and insurance of household goods and personal effects through International Human Resources. _____
- Determine which items you are going to discard, sell, ship or store before the moving company comes to your residence for an estimate. _____
- Make an inventory of all items to be shipped and another inventory of items to be stored and a third of items to be taken with you. Show replacement values. _____
- Separate goods, clothing, etc., that you will need for temporary living from the items to be shipped or stored on the day the movers come. _____

Pre-Departure Checklist

<u>ITEM</u>	<u>COMPLETED</u>
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TEMPORARY LIVING ARRANGEMENTS

Home Country

- Request International Human Resources to arrange temporary living quarters after you move out of residence and prior to departure, if necessary. _____
- Keep a record of expenses and receipts and submit reimbursement request to International Human Resources. _____
- Request payment of your Relocation Allowance from International Human Resources Representative. _____

Host Country

- Before departure, advise International Human Resources of date of your arrival and need for temporary accommodations. _____
- Keep record of expenses and receipts and submit reimbursement request to International Human Resources. _____

INSURANCE

- Notify your local insurance broker/company of your move. _____
- Arrange for insurance on your home country residence, if retained. (Your current homeowner policy will probably not apply in your absence.) _____
- Investigate and arrange for insurance at your new location for your foreign residence, including coverage while in temporary accommodations. _____
- Provide adequate insurance on jewelry and items of high value which you may take with you or are shipping. _____

BENEFITS

- Make sure that you are enrolled in the appropriate company employee benefit plans for your foreign assignment and that your beneficiary designations are up to date. _____
- Submit for reimbursement any outstanding medical bills incurred prior to departure. _____

Pre-Departure Checklist

<u>ITEM</u>	<u>COMPLETED</u>
<u>TAX</u>	
<ul style="list-style-type: none">• Prior to departure, arrange for a tax meeting with expatriate tax manager to discuss expatriate taxation in general and any specific tax problems you may have.• When you arrive in host location, arrange a meeting with designated accounting firm representative. Local International Human Resources Representatives will assist you.• Take with you copies of your federal and state tax returns for last 3 tax years. (Supporting documentation for these returns need not be taken overseas but should be kept available, if necessary in case of an audit. Do not put into storage with other stored articles.)	
<u>SCHOOLS</u>	
<ul style="list-style-type: none">• Select an overseas school for your children and check the dates of registration. It is always best to pre-register children in advance to ensure their enrollment.• Arrange for the transfer of your children's school records such as grade reports, test results, teacher evaluations, sample of work, etc., to facilitate placement at the new schools.	
<u>PERSONAL</u>	
<ul style="list-style-type: none">• Have a will drawn up or revise your present will prior to your departure. Ensure that it is in safe keeping with an attorney or family member.• Grant power of attorney to a friend or family member and leave a safe deposit key in his/her possession.• Obtain and take certified copies of marriage and birth certificates for you and your family.• Determine if your domestic bank can accommodate your needs (i.e., wire transfers) and/or complete the application for the firm-sponsored Chase Manhattan Bank program.• Secure an International Drivers License. (These are obtainable through most Automobile Associations or Motor Clubs.)• Keep a separate list of the numbers of your passports, credit cards, bank accounts and other documents.• Check into absentee voting requirements or new registration.	

EXHIBIT 5
(Response and Cross Motion of Schreiber and Weber)

August 9, 2012

JHS

JOHN H. SNYDER PLLC

555 Fifth Avenue Suite 1700
New York NY 10017
Tel: (212) 856-7280
Fax: (646) 304-9230
john@jhsnyderlaw.com

February 19, 2012

By Email (erika.delnido@weil.com)

Erika Del Nido
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153

Re: *In re Lehman Brothers Holdings Inc., et al.*, No. 08-13555 (Peck)
Russell Schreiber (Claim No. 13321)

Dear Ms. Del Nido:

I represent Russell Schreiber in connection with his \$240,098 claim in the above-referenced proceeding. I have reviewed Debtors' Two Hundred Fifty Fourth Omnibus Objection To Claims ("254th Objection"), filed on February 7, 2012 (Docket No. 25059).

My client intends to file and serve a response on or before March 6, 2012, and to appear at the noticed hearing in opposition to Debtor's 254th Objection (reserving the right to seek an adjournment of such dates as may be required).

In order that my client may have a fair opportunity to respond, please forward to my attention no later than February 24, 2012 the following:

- A copy of Lehman Brothers' "Tax Equalization Policy" that was effective during the period January 1, 2007 through December 31, 2009 (all versions, if more than one version was effective during this time period);
- Copies of all "records" referenced in Paragraph 10 of the 254th Objection that relate to Mr. Schreiber;



Erica Del Nido, Esq.
February 19, 2012
Page 2

- Any other documents on which Debtors rely upon for their position that Mr. Schreiber's claim is not allowable.

The foregoing is without prejudice, and all rights are reserved. Please call me if you would like to discuss this matter further.

Cordially,

A handwritten signature in black ink, appearing to read "JHS".

John H. Snyder

cc: Russell Schreiber

EXHIBIT 6
(Response and Cross Motion of Schreiber and Weber)

August 9, 2012

LEHMAN BROTHERS

WENDY M. UVINO
SENIOR VICE PRESIDENT
HUMAN RESOURCES

December 17, 2008

Andrew Weber
14 Chesham Place
Flat C
London SW1X 8HN
Great Britain

Dear Andrew:

1. I am pleased to confirm the compensation terms we have agreed to with respect to your employment by Lehman Brothers Holdings Inc. ("LBHI"). Your employment under this agreement will be effective as of January 01, 2009 (the "Effective Date") and is expected to continue until December 31, 2009 (the "Initial Commitment Period").
2. For your active employment with LBHI during the Initial Commitment Period, you will be paid an annualized base salary of \$250,000, payable on a bi-weekly basis. You may also be eligible to receive cash bonuses for delivering certain identified objectives up to a total amount of \$1,000,000, in recognition of your services (the "Bonus Payment"). The Bonus Payment schedule is designed so that your Bonus Payments will be paid as follows:
 - (a) the first part, up to \$750,000, payable (i) 40% in April 2009, and (ii) 60% within 30 days following the end of your Initial Commitment Period; and
 - (b) the second part (up to \$250,000) payable in January 2010.

See Compensation Summary attached.

3. At the end of the Initial Commitment Period (and at the end of any subsequent commitment periods thereafter), LBHI may, in its sole discretion, offer to extend your employment for an additional commitment period on substantially similar terms as set forth in this agreement (any such extension, a "Commitment Period"). If an offer of extension is made to you, payment of 20% of your total Bonus Payments for the Initial Commitment Period shall be deferred until the end of your extended Commitment Period. This is a one-time deferral and no such deferrals will extend beyond this extended Commitment Period. You will also be eligible for a revised bonus amount for the new Commitment Period which shall be no less than 110% of the Initial Commitment Period Bonus Payment (pro rata for any extension period less than the Initial Commitment Period). Any offer regarding an extension at the end of the Initial Commitment Period or subsequent Commitment Period shall be made in writing no less than 30 days prior to the end of such period, and will specify your Bonus Payment opportunity and payment schedule for the applicable Commitment Period.

Andrew Weber
December 17, 2008
Page 2

4. In the event your employment is terminated by LBHI involuntarily without Cause (as defined below) during any commitment period, or if you work through the end of the Commitment Period and receive no offer for an additional period thereafter as set forth above, you will be eligible to receive the following payments:

- Base salary – the unpaid balance of your base salary payable through the end of the Commitment Period in accordance with standard payroll practices.
- Bonus payment - a payment equal to a pro-rata portion of the Bonus Payment for the applicable Commitment Period, pro-rated for the period of your active employment during such period (less any bonus amounts previously paid to you during the Commitment Period), payable in accordance with the applicable Bonus Payment schedule. You will also receive any Bonus Payment that was deferred from the Initial Commitment Period.
- Severance pay – severance equal to 1 week per month of your service with LBHI for the period commencing as of the date hereof and ending on your employment termination date, up to a maximum of 6 months of severance. Your severance pay shall be calculated based on your base salary at the time of your employment termination.

5. If you resign your employment for any reason prior to the end of any Commitment Period, your base salary will end, and you will not be entitled to severance, the unpaid portion of any Bonus Payment (including any amount deferred from the Initial Commitment Period), or other payments of any kind.

6. If you decline an offer by LBHI to extend employment through a new Commitment Period, you will be paid the Bonus Payment (reduced by (i) the 20% amount referred to in paragraph 3 above and (ii) any other amount already paid) for the completed Commitment Period, but you will not be paid any severance.

7. In order to be eligible to receive severance pay or any other separation payment set forth in this letter, you will be required to sign a separation agreement that includes a waiver of any claims you may have against LBHI, and other terms as determined by LBHI. Any severance payments payable under this agreement shall be payable as salary continuation in accordance with standard payroll practices until the severance obligation is satisfied. For the purposes of this agreement, "Cause" means a termination of your employment by LBHI because of any of the following: (i) misconduct, (ii) breach of LBHI policies or rules, (iii) dishonesty, (iv) violation of laws or regulations, or (v) substantial and continuing failure to perform employment duties or obligations satisfactorily.

8. All compensation payments described in this letter will be paid in accordance with our customary payroll practices and the tax forms and exemption statements that you have completed, and will be subject to applicable deductions. In addition, you shall remain eligible to participate in the Lehman Brothers Holdings Inc. Group Benefit Plan (medical, dental, vision, etc.) and the Lehman Brothers Savings Plan (the "401(k) Plan"), subject to the applicable terms and conditions of such plans.

9. Please understand that the terms and conditions of your employment by LBHI are governed by standard Firm policies. While the foregoing commitments will be honored on the terms outlined above, this letter is not a contract of continuing employment. Your employment by LBHI is at-will, and either you or LBHI may terminate the employment relationship at any time for any reason, subject to any applicable notice requirement.

Andrew Weber
December 17, 2008
Page 3

10. You understand that this letter represents the complete agreement between you and LBHI with respect to your compensation and other matters addressed in this letter, and that this letter replaces any prior written or oral agreements or understandings.

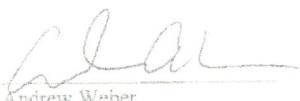
Andrew, please confirm your agreement to the above by signing a copy of this letter in the space provided below, and returning it to me no later than December 30, 2008.

Sincerely,



Wendy M. Uvino
Senior Vice President
Human Resources

I agree to and accept the terms described in this letter and further acknowledge that no representations were made to induce the execution of this letter which are not expressly contained in this letter.



Andrew Weber

18 December 2008
Date

Andrew Weber
December 17, 2008
Page 4

Compensation Summary:

Initial Commitment Period:	Through December 31, 2009
Base Salary (Annualized):	\$250,000
Bonus Potential (Initial Commitment Period):	\$1,000,000 (1 st discretionary bonus up to \$750,000; 2 nd discretionary bonus up to \$250,000) up to \$300,000 in April 2009 up to \$700,000 in January 2010
Bonus Payment Date(s):	
Severance:	1 week per month as described in paragraph 4

Bonus – Performance Objectives:

To be determined with your team leader.

Extensions of Initial Commitment period:

Up to 20% of your Bonus Potential will be deferred beyond the Initial Commitment Period and not less than 10% of your Bonus Potential will be added to any bonus amount agreed pursuant to any extended Commitment Period (see paragraph 3 above).

EXHIBIT 7
(Response and Cross Motion of Schreiber and Weber)

August 9, 2012

LEHMAN BROTHERS

DEBORAH MILLSTEIN
SENIOR VICE PRESIDENT

July 6, 2007

Andrew Weber
By Hand

Dear Andrew:

We are pleased to confirm the details of your transfer from Lehman Brothers Inc. to join Lehman Brothers Limited at the MD level in the Fixed Income Division, reporting initially to Georges Assi. You will be hired by Lehman Brothers Inc. in New York and seconded to Lehman Brothers Limited., in London. While on assignment in London, you will be employed by Lehman Brothers Inc. and seconded to Lehman Brothers Limited in London. Your corporate title of MD will be submitted for official approval by the Board of Directors as part of the next quarterly approval process. We expect your employment to begin on or about September 01, 2007.

For the performance year 2007 (your start date through November 30, 2007), your compensation will be as follows:

- Monthly base salary of \$████████, which is the equivalent of \$██████ per year.
- A minimum bonus in the amount of \$██████, less applicable deductions, payable at the time the Firm pays its annual 2007 bonus distribution (on or about January 31, 2008).

The foregoing salary will be paid for all periods of your active employment with the Firm in performance year 2007. The bonus amount set forth above will be paid at the time and in the amount stated except that it will not be payable if you have failed to obtain and/or maintain in good standing all applicable licenses and registrations or if, before the date of scheduled payment, you have resigned or have been terminated from the Firm because of misconduct, breach of Firm policies or rules, dishonesty, violation of laws or regulations, or substantial and continuing failure to perform employment duties or obligations satisfactorily (collectively or individually, "Cause"). The bonus amount set forth above may be reduced in the event of an approved leave of absence during the applicable performance year.

At the Firm's discretion, a portion of your 2007 and future years' total compensation (combined base salary, bonus, and other compensation) will be payable in conditional equity awards (restricted stock units, options, and/or other equity-based awards) pursuant to the Firm's Equity Award Program as then generally in effect for employees with your position and corporate title.

The terms and conditions of the Equity Award Program, including terms and conditions relating to vesting, exercisability, and forfeiture, will be established by the Firm from time to time in its discretion.

Andrew Weber
Page 2

In addition to the above compensation, provided we have received your executed offer letter and you satisfactorily meet all pre-employment requirements; the Firm will make you a special payment of \$, less applicable tax withholding and other deductions, to be paid on or about September 21, 2007. The payment described in this paragraph will not be considered part of your total compensation for purposes of the Firm's Equity Award Program.

All compensation payments described in this letter will be paid in accordance with our customary payroll practices, and will be subject to applicable payroll and income tax withholding and other applicable deductions. Your compensation for all periods after performance year 2007 will be determined at the Firm's discretion.

You will also be eligible to participate in the Firm's standard employee benefits program, which will be discussed with you shortly after you commence employment.

Please understand that this letter is not a contract of continuing employment. Your employment by the Firm is for no fixed term, and either you or the Firm may terminate the employment relationship at any time for any reason, subject to any applicable notice requirement. Currently, the Firm's notice policy requires officers of the Firm to provide 30 days' advance written notice of resignation, and provides for 30 days' advance notice by the Firm to its officers in the event of an involuntary termination under certain circumstances. In making this offer of employment, the Firm has relied on your representations (a) that you are not subject to any duty or obligation that would prevent you from becoming employed with us on your start date or that would in any way prevent you from performing the duties of your position, and (b) that you are not subject to any non-competition, non-solicitation or other restrictive covenant that might affect your employment by the Firm as contemplated by this letter.

In addition, your assignment is contingent on your qualifying for and obtaining a UK work permit. Your initial assignment will be covered under Lehman Brothers' current expatriate policy. The complete policy and all benefits related to it will be reviewed with you by our International Human Resources Department shortly.

Please understand that the terms and conditions of your employment by our Firm are governed by standard Firm policies. Among other things, this also means that this offer of employment is contingent on your satisfactorily meeting all pre-employment requirements. This also means that you must have and maintain in good standing all applicable licenses and registrations. If you are not registered at this time, we expect you to be registered at the earliest practical time, but in no event later than six (6) months following your date of employment. Among other things, this means that you must have and maintain in good standing all applicable licenses and registrations. If you are not registered at this time, we expect you to be registered at the earliest practical time, but in no event later than six (6) months following your date of employment.

Andrew, we are enthusiastic and pleased that you are going to be a part of our organization. Please confirm your agreement to the above by signing a copy of this letter in the space provided below, and returning it to me. An additional copy of this letter is enclosed for your files. Please contact me at 212-526-1280 if you have any additional questions or concerns.

Andrew Weber
Page 3

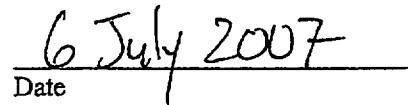
Sincerely,



Deborah Millstein
Senior Vice President
Fixed Income Human Resources

Agreed to and accepted:



Andrew Weber

Date

EXHIBIT 8
(Response and Cross Motion of Schreiber and Weber)

August 9, 2012

LEHMAN BROTHERS

MEMORANDUM

TO: Russell Schreiber
FROM: Wendy Uvino, Human Resources
CC: Cathy Radley, Alvarez & Marsal
Helen Lawson, PWC
Sarah Lewis, Lehman Brothers
DATE: 23 January 2009
SUBJECT: Update on Expat Issues

This memorandum sets out the key changes to your Expat package terms effective 1 January 2009 and provides guidance regarding your package for both the pre-administration and administration periods. Your terms and conditions of employment will be modified with effect from 1 January 2009 to reflect the below matters.

Monthly Payroll

Effective 1 January 2009, your US payroll will be processed on a bi-weekly basis – i.e. every second Friday. Your monthly base salary, Choice\$ allowance (if applicable), and applicable rent deduction will be pro-rated accordingly. As previously advised, your payroll will be processed gross – subject only to applicable US social security withholding. You will separately be required to provide London Human Resources with a check for the appropriate tax withholding amounts. Your check will be requested by e-mail on a monthly basis in USD and should be provided to London Human Resources no later than the last working day for each month's payroll.

In the unlikely event that you do not provide your monthly check on a timely basis, your payroll will be suspended until your liability has been settled.

Due to the change in payroll dates and amounts, please be sure to amend any automatic payments or transfers that you may have set up with your bank account(s).

2008 and 2009 Tax Equalization

In the current circumstances, it is no longer practical to operate a Tax Equalization Policy.

For the period 15 September 2008 to 31 December 2008, tax equalization will not apply. You will be personally liable for any and all taxes on your Lehman Brothers compensation.

For avoidance of doubt, the terms described in the e-mail of 30 December 2008 (from Julie Patterson of PwC) continue to apply with respect to the commitment that you will remit to LBL the equivalent of the October/November US Federal tax withholdings (even if you do not obtain an actual tax refund on your 2008 US Federal Income Tax Return due to your personal income/circumstances) by 1 August 2009.

Effective 1 January 2009, you will continue to be personally liable for any and all global taxes on your Lehman Brothers compensation.

Hypothetical taxes will no longer apply and you will be advised each month of the appropriate UK tax withholding requirement as described above. For reference, the maximum UK tax rate is 40%.

Your employment will continue to be with Lehman Brothers Holdings Inc or its affiliates in the US. All income will continue to be reported on form W-2.

Pre-Administration Issues (period prior to September 2008)

You may have outstanding issues pertaining to the period prior to the US entities entering into Chapter 11 administration and Lehman Brothers Limited entering into Administration in September 2008. In the event that you feel that you are owed money from Lehman Brothers, you should make such claim in the normal manner.

2009 Choice\$

Your 2009 Choice\$ allowance will continue to be provided to you at the current rate of \$7,008.92 per bi-weekly pay cycle.

However, to enable you to meet the UK tax on the Choice\$, the monthly amount has been grossed up for UK taxes so you will effectively net the same amount as you currently receive.

There will be no update to the 2009 Choice\$ for any reason (exchange rate, change in family size etc).

Rent Deduction (as applicable)

If applicable, your monthly rent deduction will continue to be taken, split between the bi-weekly payrolls. The 2009 deduction has been updated to reflect the current expatriate f/x rate of \$1.5016/£1.00. In the event that your actual rent or the expatriate f/x rate changes, your rent deduction will be adjusted accordingly.

School Fee, Property Management and Storage Reimbursement (as applicable)

If applicable, you will continue to be eligible for the reimbursement of qualifying school fees in accordance with the normal policy.

Going forward, reimbursement will be processed via payroll. You will need to pay the school fees direct to the relevant establishment and provide London Human Resources with appropriate proof of payment. The reimbursement will then be grossed up and processed through the next available payroll cycle.

Similarly, you will need to arrange payment to First Preston for property management, or the company providing your long-term storage, if applicable, and provide London Human Resources with appropriate proof of payment in order to obtain reimbursement.

Tax Return Preparation

We are no longer able to engage PwC or any other tax service provider directly in connection with US or UK tax preparation. To assist you in meeting the costs for tax preparation for the 2008 US Income Tax Returns (Federal and State) and your UK Income Tax Return for 2008/2009, you will receive a special taxable payment of \$6,500 through the first payroll cycle in March 2009.

If you have any questions concerning the above, please do not hesitate to contact Hilary McNamara on 646-333-8299 or Steve Snelling on 2-2185.